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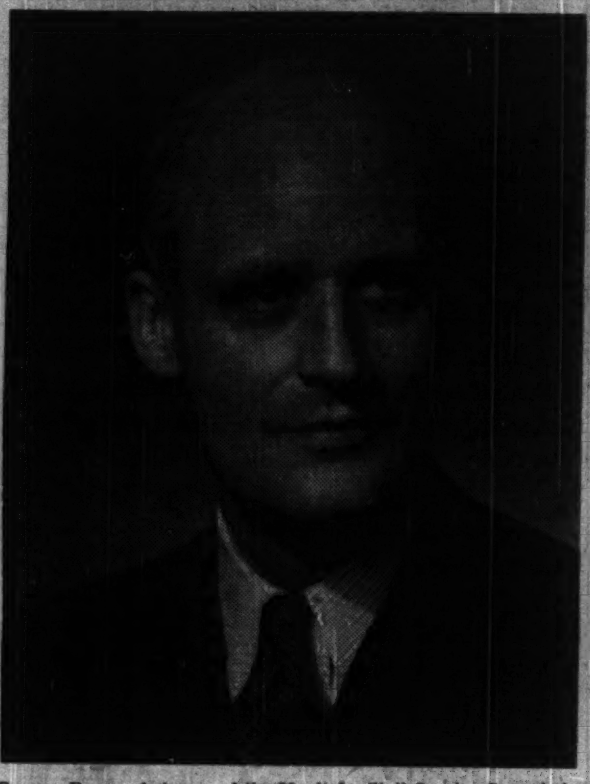
Civil Service Boss



Gurney Evans, chairman of the Manitoba Civil Service Commission, has the task of administering, as a part-time job, the new Manitoba Civil Service Act, affecting 3,000 permanent employees of the provincial government, 3,000-4,000 others employed in government undertakings. He's acting president and general manager of the W. Sanford Evans Statistical Service, Winnipeg. (Personality sketch on P. 6).

THE NATION'S BUSINESS

The Spanish Raid Canadian Company

What the Spaniards are doing to the Canadian company, Barcelona Traction, looks like one of the worst pieces of skullduggery we've seen in a long, long time.

It is so bad that the Canadian, U. S. and Belgian Governments have all made formal protest.

Briefly, the facts are that three Spaniards of Madrid holding a small block of Barcelona bonds went to a remote little town in Spain. By some curious means, the Spaniards got the judge to grant an order of bankruptcy on Barcelona and orders for seizure of the assets of its subsidiaries.

The first the management heard of this was when the Spanish receiver arrived at one of its subsidiaries and demanded immediate surrender of its properties, funds, books and documents. The officers protested and the next day they were summarily removed from their posts. The receiver took over operation of the company and later appointed a new board of directors.

This hi-jacking was perpetrated on the argument that Barcelona Traction was in arrears on bond interest which indeed it was, because the Spanish Government refused to permit the release of exchange to convert the peseta earnings of subsidiaries into the sterling needed to pay on the bonds. At the date of the "bankruptcy" proceedings, one subsidiary above, Ebro, held more than enough cash in pesetas to pay off all the interest arrears on Barcelona's sterling bonds.

Now comes what looks like another phase of the squeeze-play. A meeting of Barcelona Traction creditors has been called for September 19 for the same remote little Spanish town to increase Spanish control over the company.

Barcelona Traction as a Canadian company with no place of business in Spain is not subject to the Spanish courts.

Even more serious for the Barcelona owners is the likelihood that if the assets are sold the price would be ridiculously low, and the proceeds of the sale would be in non-convertible pesetas. All they would likely get would be a dubious peseta credit convertible sometime or never.

Who's behind the assault on Barcelona?

All the signs point to Juan March, fabulous international financier.

At meetings in Madrid, February, 1948, Juan March proposed a settlement of Barcelona's problem which would involve selling out Barcelona entirely and the formation of a new company in which March would have three fourths of the equity and three fifths of the new sterling bonds. Then a Barcelona Traction report adds, "Mr. March stated that he would not worry about obtaining the government's permission to transfer the sterling necessary for the service of the bonds of the new company."

At a Barcelona subsidiary meeting, Allan Graydon, vice-president, said that the receiver appointed by the Spanish court was a man "who, it is said, is an associate of Juan March."

At a time when the world and retarded areas like Spain particularly, need vast outpourings of capital, this Spanish manoeuvre is not only shocking but shortsighted. The Canadian Government should leave no stone unturned in fighting this case.

• • •

The Back Road to Ruin

Soaring government expenditures from the federal level down can extinguish individual liberty just as surely as communism, fascism and other forms of collectivism have done it in Europe.

That sober warning comes, not from some head-line seeking sensationalist, but from former U.S. President Herbert Hoover, who has more first hand knowledge of government both in his own country and abroad, than perhaps any other American.

Higher and higher taxes, direct and indirect, points out Mr. Hoover, are preventing the accumulation of savings and thus the establishment of new business. The Government becomes the major source of capital and credit. In the end the average citizen must find himself completely regimented by the state.

In an address at Stanford University on his 75th birthday last week, Mr. Hoover presented these staggering statistics:

Twenty years ago the combined ordinary expenditures by all levels of government in the United States cost the average family $200 a year in taxes. Today the cost is $1,300 and would be close to $1,900 if debt services were added.

Twenty years ago there was one government employee for every 40 of the population. Today there is one for every 22, and one for every eight of the working population.

Twenty years ago one person in every 40 of the population, directly or indirectly received regular monies from the government. Today one person out of every seven is a regular recipient.

To meet all government expenditures today, the average citizen must contribute 61 days wages in taxes every year and seriously contemplated new expenditures could add another 20 days, or a total equivalent to one week's wages a month.

There are, unfortunately, no corresponding figures for Canada but anyone who is even slightly familiar with public accounts knows that our record will be almost identical. Here too, we are paying for the enormous cost of two world wars. Here, too, governments are spending lavishly on services, subsidies and projects undreamed of a generation ago.

Ordinary expenditures of the Dominion Government alone have risen from slightly over $400 millions a year before the war to almost four times that figure today. Municipal and provincial authorities are following the same trend.

Here, too, as in the United States, our people look askance at the drift toward "collectivism" or state control in Europe but we do not realize, as Mr. Hoover warns, "that through governmental spending and taxes we are blissfully driving down the back road to the same goal at top speed."

Says Britain Now Must Help Herself

U. S. and Canada Doubt Washington Talks To Produce Much — No Extra Aid Contemplated —Only U. K. Can Do What's Needed

OTTAWA (Staff)—Don't look for spectacular or quick results from the Washington talks about the sterling-dollar crisis next month. The best opinion here is that the meetings between Canadian, United States and British ministers may mark an important psychological turning point, but that they can do little more than prepare the way for the decisive action which will have to be taken later.

Canadian official opinion is persuaded that no international action is possible or useful until the British Government has initiated its own program to put the U. K.'s economic house in order.

If the British can restore confidence in their willingness and ability to adapt their economy to the hard circumstances of a competitive world, the Washington meetings might start a more hopeful phase in world trade. If that confidence is not restored, neither Canada nor the United States are likely to be either able or anxious to find means of helping.

The ministerial talks are due to start on Sept. 6. Canada will be represented by External Affairs Minister Pearson and possibly Trade Minister Howe as well as Finance Minister Abbott. The United Kingdom is sending Ernest Bevin, Foreign Secretary, and Sir Stafford Cripps, Chancellor of the Exchequer.

To prepare the way for the ministers' meeting, officials of the three countries will meet in Washington Aug. 27. The Canadian representatives will be headed by Norman Robertson, Clerk to the Privy Council, and one of Canada's leading economists. Sir Henry Wilson Smith, Second Secretary of the United Kingdom Treasury, will head the British official party.

Canada's Position

Official instructions for the Canadian representatives are now being studied in the appropriate branches of Government and, although they have not been finalized, the outline of the Canadian position is already clear.

In the first place, it is not believed that there is any positive action Canada can take, over and above what she has already done, to help solve the British crisis. Further loans are not being suggested by any party. The Canadian and United States loans (including ECA) have tided the United Kingdom over the worst stage of postwar readjustment, and the stage has now been reached when the fundamental unbalance of British trade with the dollar area has got to be tackled.

Nor is it easy to find any additional ways in which Canada could encourage British exports. Canadian policy has aimed at removing all possible barriers in the way of British sales here, and the British must use the opportunities open to them.

This does not mean that Canada

(Continued on page 3, col. 1)

Gov'ts Protest New Move Against Barcelona Traction

The Canadian, United States and Belgian Governments have protested to the Spanish Government against action of the Spanish courts against Barcelona Traction, Light & Power Co. Ltd.

These diplomatic protests result from an announcement of a court at Reus, a town in Catalonia, calling a meeting Sept. 19 of Barcelona Traction's creditors. Avowed purpose of the meeting is to appoint "sindicos" who would have broader powers over management of the company and the disposition of its Spanish assets than are enjoyed by individuals originally placed in control by Spanish court.

The proceeding is unlawful, according to J. Grant Glassco of Toronto, receiver and manager of the company.

"Developments in this Spanish bankruptcy proceedings violate our basic concepts of legality. The refusal of the Spanish Courts to hear our case is a complete denial of justice," Mr. Glassco said.

Assets Seized

The Barcelona Traction affair is extraordinary.

The Spanish exchange control refused to permit the company to convert its peseta earnings into sterling.

That fact was seized upon by a group of three Spaniards holding a very small amount of Barcelona Traction bonds. They went before a judge in the little town of Reus and on Feb. 12, 1948 they were granted an order for bankruptcy and seizure of the assets.

This order was granted despite the fact that the Barcelona company whose bonds the three Spaniards held is a Canadian holding company and has no place of business or assets in Spain; hence the Spanish Courts have no jurisdiction over it. The Reus judge nonetheless declared the company bankrupt and argued that because this foreign company was not meeting its liabilities (in the form of overdue bond interest) and because it owned the shares of the Ebro company (a subsidiary of Barcelona) which did operate in Spain, that was as good as owning the Ebro assets—hence Barcelona had assets in Spain and for that reason he ordered the Ebro assets seized.

First intimation the company had of the proceedings came when the management of one of the subsidiaries was summarily expelled. The company was not formally served notice of the action until Aug. 26, 1948.

Understood to be associated with the Spanish move against Barcelona is the fabulous international financier, Juan March.

The receiver appointed by the Spanish court has taken over management of the operating subsidiaries, removed the directors and appointed new ones.

The Supreme Court of Ontario, July 15, 1948, replied to these Spanish moves by appointing a Receiver and Manager who is attempting to have the Spanish bankruptcy proceedings and the seizure of the assets of the subsidiary companies set aside.

So far, his efforts have been successfully countered by procedural and other difficulties raised by opposing forces in Spain.

Barcelona Traction is a Canadian company with no business

(Continued on page 3, col. 2)

Tourists Pay Off Motel Boom

Their Travels Change Type of Our Industry

By WALLACE GILLESPIE

U. S. visitors to Canada are changing their vacation habits.

That's the consensus of a Financial Post survey this week.

The tourists, for one thing, are more on the move this year. They want accommodation in cabins and modern-type auto courts (motels); they aren't staying as long in each place as they did in the immediate postwar period, and they aren't spending as much. That last factor, however, is offset by this: there are more of them. That's going to keep our tourist income for 1949 over last year's $270 millions.

What does this mean to Canada's tourist industry? For one thing, construction of new cabins and auto courts has far outpaced new hotel construction since the war, particularly in the medium-price bracket.

Ontario sums up aptly: "One aspect of the current season which has become strongly evident is the extremely good business being done by the more modern establishments, and the vacancies which operators of mediocre establishments are encountering."

Here's the picture from coast to coast:

Vancouver: 250 additional rooms available through new motel construction in past year. Area now has approximately 50 motels, each averaging 15 units.

Alberta: 10 to 15% increase in total number of tourist beds; preference for individual detached cabins rather than row cabins.

Saskatchewan: Extensive program of cabin construction in nine provincial parks wasn't continued during past year; considerable building for individual use.

Manitoba: 23 new cabin-camps in the medium price category were licensed this year, accommodation for approximately 300. Additions to seven Manitoba camps provided for another 60.

Ontario: Most new construction is of motor court type, accommodation at prices from $5 to $12 per cabin. Individual cities reporting were Fort William with 12 additional beds at $2.50 per head; Windsor (Essex County Tourist Association) reporting "much room for development" in motel and auto court accommodation, eagerly sought by visitors there; Niagara Falls, where additional cabin and motel construction throughout the district will accommodate 600 persons; and Ottawa, where a number of cabin developments in the $5-for-two class increased accommodation.

Quebec City: Established courts increased accommodation by 100 units. The same amount of extra accommodation is reported by Sherbrooke in the $1.50 to $3.50 per person bracket.

Maritimes: Accommodation for 30 in Fredericton; all new cabins at $2 per person. Prince Edward Island's 90 additional beds are mainly cabins in the same price range. Nova Scotia opened 60 new "places of accommodation" (type not specified) last year, and has inspected 42 new places so far this year.

Newfoundland: Six new cabins (29 beds). All except one in the $5 per day class (including board). Lone exception, offering four beds, was a caribou-hunting lodge where a $35-a-day rate covers guides, air transportation, etc.

By contrast, on the hotel side of the ledger, Montreal's overdue Laurentien is the only postwar development of major propor-

(Continued on page 3, col. 4)

'Bankrupt' Britain

Is Britain bankrupt? When will she devalue? How will that affect Canada? Will Canada devalue? Has Britain's social security program increased her present problem? Is the Colonial Empire and sterling bloc a help or a hindrance?

Dramatic events must, in weeks near ahead, take place in London. Britain can no longer postpone her "crisis."

It will be an important milestone in the world's economic history.

On page 11 of this issue, The Post presents in simple, easy-to-understand form the facts of the crisis, how it developed, what may be done about it, and explains in simple terms many of the complexities of foreign trade and exchange rates which readers have so frequently requested.

We commend this article to your special attention. Important now, useful for future reference.

The Editors

PRICES

Hopes of holding down retail prices of **tea and coffee** are receding rapidly.

Green coffee on the New York Coffee and Sugar Exchange is at the highest level recorded in its 63-year history. World consumption is estimated at 32 million bags for 1949 with production amounting to only 30 million. Local dealers may be able to hold the line for a few more weeks but advances of 3c-4c in green coffee in recent weeks seem bound to hike roasted prices after that.

Tea prices too are a headache at present for retailers. Labor costs in producing countries are at record levels and added to this are heavy expenditures for rehabilitation of plantations devastated by the Japs during the war. Prices are currently about three times prewar and may go higher.

Shoe prices haven't come down but the increase anticipated last spring has failed to materialize in most cases. Prices for fall merchandise are thought to be about the same as last year except for a few minor increases on some types—mainly medium and better grade. We may find prices easing by spring, not due to lower leather costs but probably as a result of a change in production methods and types of shoes to compensate for continuing high leather prices.

Residential building materials declined in June for fourth consecutive month. The DBS index at 228.0 was down 2.4 points from the February peak of 230.4. Main declines were in plumbing and heating equipment, roofing materials, electrical equipment and fixtures. On the other hand increases were shown for cement, sand and gravel, brick, tile and stone.

Non-ferrous metals held firm throughout the week.

Lead supplies are reported to be tightening and a double price situation exists with a custom smelter quoting price of 15⅛c and a leading producer quoting 15c N. Y.

Copper stocks in hands of U. S.

(Continued on page 3, col. 3)

Lower Demand, More Imports Felt in Cotton

MONTREAL (Staff) — Decline in consumer demand plus increasing imports of cotton goods, are cutting into operations of Canadian cotton textile mills, Cotton Institute of Canada reports show.

Cotton bale openings for July totaled only 25,056 bales (500 lb. gross weight), down from 30,552 in June and 28,669 in July, 1948. Part of the 18% drop from June levels was due to closing of many mills for holidays, but the July totals are regarded as exceptionally low for recent years. July index figure stood at 100.5 (121.1 for June; 114.9 for July, 1948).

Producers feel this trend is due to lower consumer demand first evidenced three months ago. Also, imports of cotton goods are higher than a year ago.

British shipments of cotton fabrics in the first six months this year totaled 19.2 square yards, up 53% over last year's first half 12.6 million yards. Until the end of June, U. K. cotton piece goods were entering Canada duty free. In addition, a 25% increase in the quota of imports from the United States, coupled with sharply lower U. S. prices, meant an influx of American goods into the Canadian market. No figures are available as yet to measure the effect of the reimposition of the tariff on U. K. goods and the simultaneous increase in tariff on U. S. imports.

Meanwhile, Canada's imports of rayon fabrics from Britain were 66% greater during the first six months, amounting to 8.7 million square yards against 5.2 million a year ago. Shipments in June totaled 1.5 million square yards, 600,000 more than June, 1948. There has been no indication that exports from Britain dropped off after tariff duties were re-imposed on rayon piece goods July 1, according to the Silk and Rayon Institute.

Shopping For Fall Suits? Look For 8-10% Price Cuts

MONTREAL (Staff) — Retailers are adopting a "wait-and-see" attitude toward men's clothing for this fall, according to indications here. Goods are in plentiful supply, and many of the larger stores are postponing placing larger orders until their male customers indicate what prices they're prepared to pay for fall clothes.

Although some report they'll be offering clothing at prices 8%-10% lower than last year, due to ability of suppliers to purchase materials at more favorable levels, many hold that quality for quality, there can't be much reduction.

They point out, however, that there may be a downward switch in both price and quality if the demand proves to be greatest in the lower-priced lines.

Another factor tending to depress prices is the large amount of stock on hand at all levels, and the apparent resistance by men to clothing purchases at present quality and price levels. If this continues, retailers see a price drop in the offing, without a comparable decline in the quality of the goods.

Reports from U. S. that increased use of rayon in men's clothing for winter use is bringing down prices there, is not expected to be a significant factor in Canada, retailers say.

Canadian winters are more extreme than those experienced by a large part of U. S., and heavier clothing is demanded here.

Sheraton Controls Ford Hotel Co.

MONTREAL (Staff) — Control of Ford Hotels Co. Inc. of Canada has been purchased by Sheraton Corp., Boston, with the acquisition of 60% of the common stock, Robert L. Moore, vice-president and treasurer of Sheraton, announced in Boston this week.

Actual transfer of the stock will take place Sept. 6, giving Sheraton Corp. nearly 100,000 of the 169,855 shares outstanding. It is also understood important expansion plans are in mind for the Canadian chain.

Mr. Udd will continue as an official of the company; no changes are planned in management or personnel.

Ford hotels operated by the company are the Laurentien in Montreal, Ford in Toronto, Lord Elgin in Ottawa.

With 28 hotels in 25 cities of Canada and U. S., and total assets of $64.5 millions, Sheraton is the largest hotel-owning company in United States.

Will U. S. Alter Bill To Buy Arms Here?

Ottawa Hopes Johnson Visit May Bring Revision — Point to Standardization Need

OTTAWA (Staff) — Official circles here still think there is some chance the U. S. Arms Aid Bill may be changed to allow the U. S. armed forces to buy some of their arms in Canada. This was one of the major topics discussed last week during the one-day visit to Ottawa of Louis Johnson, U. S. Secretary of Defense, and it is believed Mr. Johnson was most sympathetic to the Canadian viewpoint.

On his return to Washington Mr. Johnson reported fully to the President on the arms which Canada could supply to the U. S., and he probably emphasized that unless U. S. dollars reached Canada in this way Canada could not find the U. S. currency necessary to equip her fighting forces with U. S. weapons.

Coordination of Canadian and United States forces has thus become dependent on a change in the attitude of the U. S. Congress.

What the chances are for such a change, Ottawa officials will not predict. But they do believe that the Administration will do all it can to get approval for a change which would permit the U. S. forces to buy arms for their own use in Canada. Such a change, it is argued, would be in the interests of the United States as much as of Canada; for on it depend all the plans for arms standardization which would permit U. S. and Canadian forces to operate (should the need arise) in full coordination.

The decision is now up to Congress, and Ottawa is keeping its fingers crossed.

New Version of MAP Would Hit Canadian Hopes to Get Supplies on Exchange Basis

By KENNETH R. WILSON

WASHINGTON (Staff)— Prospects for full Canada-U. S. arms co-operation got a bad blow in the new Arms Aid Bill released here last week.

As the new version of MAP (Military Aid Program) now stands, there is no chance whatever of United States placing orders in Canada for defense weapons or equipment for the use of its own services.

In the earlier bill for aid, it would have been possible for Canada to have been given defense orders for weapons and equipment to be made in Canada for use by U. S. This was one of the things Canada has been anxious to achieve so as to get American dollars with which to pay for planes, parts, etc. we want to buy in U. S.

The new version of MAP eliminates this possibility entirely.

And as matters now stand here, it's thought certain that the bill won't be made any more favorable as it progresses through Congress.

If there are any further changes they'll be toward tightening the use of funds for off-shore weapons purchase.

Could Buy Here For Europe

Even though direct purchases from Canada for use by U. S. forces are barred, the newest version of MAP would permit off-shore purchases in Canada by U. S. on behalf of Atlantic Pact nations.

This means the United States could order rifles, ammunition, small vehicles, etc. in Canada to be sent to Europe and paid for by U. S. funds.

Assuming this provision is retained, this could mean considerable spending in Canada by U. S. in the next 12 months.

But this would be a more or less temporary affair — conditioned by annual dollar commitments by Congress for foreign arms aid. Presumably once these lapsed, there would be no further vehicle whereby Canada could balance out her dollar account for defense purposes.

The point here is this: that Canada has made it pretty clear in Washington that we want to go ahead with continental standardization and defense co-operation. To do this, we are prepared to buy U. S. weapons and equipment — for example, an immediate order for 30 North American F86 (Sabre) planes.

But these planes cost a lot of U. S. dollars. And Ottawa has also made it clear that she's unwilling to further impair her U. S. dollar reserves by spending large sums for U. S. weapons.

Ottawa favors standardization and all that — but not to the extent of a heavy drain on dollars. Rather than that we'll go without, or make some other arrangement (perhaps continue with present-type equipment).

We'd hoped that if the sort of arms bill which was originally submitted to Congress had been approved, that we'd have got a green light to a very considerable measure of standardization. There would then have been proper legal mechanism whereby we could buy U. S. equipment for cash, and be reimbursed by the U. S. placing orders in Canada for chemicals, small vehicles, etc.

(Continued on page 3, col. 3)

Inside News

Defense of Canada

How much should we lean on the United States to defend us in case of an attack? Should we be taking more active steps to ensure that we can play our full part if called on again? Military men answer The Question. (p. 9).

Stocks and UK Crisis

Financial talks between UK, US and Canada on Sept. 6 are having their effect on the stock market. Read the opinion of one analyst in Managed Investment (p. 5).

Promotional Profits

When are promotional profits subject to tax as income rather than tax free as capital gain? Here's an old poser the Exchequer Court has ruled on. The case will be a leader in income tax law relating to this subject. About Your Taxes (p. 13).

What Insurance Changes?

What's likely to come out of the proposals for revision of the provincial laws affecting property insurance? They will be discussed at the 1949 conference of the provincial superintendents of insurance next month. What these proposals are, what they mean (p. 15).

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Pace of Business

Construction contracts awarded in July were at new peak for that month: $129,269,000, up 44% from $89,791,100 last year. Seven months total up 7.9% at $61,107,700.

Dwelling units completed in first five months of 1949 totaled 32,451, 32% above 24,582 completed in same 1948 period. Housing starts in the period were up 12.6% at 29,671 units. Estimated number under construction at May 31 was 53,533 (56,456 at Jan. 1).

Sales of new motor vehicles in June: 26,738 units, retail value $55,539,165, up 24% in number and 28% in value from year ago (21,626 at $43,430,979). In first half of 1949 sales were up 24% in number and 32% in value—132,780 units for $280,133,731.

Motor vehicles financed in June totaled 23,306 units for $21,239,300, up 51% in number and dollar volume from 15,436 for $14,110,000 in June, 1948. Half year total up 45% in number and 48% in value at 110,085 units for $104,540,000.

Department store sales in week ended Aug. 6 were off 2% from year ago. Declines in Maritimes (off 4%), Quebec (off 6%) and Ontario (off 6%). All others advanced.

Money supply in June at $4,187 millions was up slightly from $4,155 millions in May and 3.9% from $4,030 millions last year.

Bank debits totaled $7,216 millions in June compared with $6,915 millions in May and up 11.5% from $6,475 millions in June, 1948. Six months total was up 8.3% to $41,170 millions.

Carloadings in week ended Aug. 6 totaled 69,048 cars compared with 73,533 in previous week and 73,341 a year ago.

Unemployment insurance claims in June: 53,100, down 16.6% from 63,700 in May but 34.1% above 39,600 a year ago.

Canal traffic: Freight tonnage in June was 3,287,609 tons, up 10.8% or 321,226 tons from year ago due to heavier wheat movement.

Butter production in July: 38,506,000 lbs., down 8.4% from 42,015,000 in July, 1948. Seven months total down about 1% at 161,792,000 lbs.

Margarine production showed further decline in July at 5,372,000 lbs. compared with peak of 7,349,000 lbs. produced in March.

Meat stocks were lower at Aug. 1: 58.5 million lbs. against 65.8 million on July 1 and 89.9 million a year ago.

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Mainland Competition Hits Nfld. Manufacturers

By RUPERT JACKSON

ST. JOHN'S—Competition from the Maritimes, Ontario and Quebec is beginning to affect secondary manufacturing industries here. So far only the clothing factories, iron foundries, printers and the one boot and shoe manufacturer are hit to any great extent, but others are feeling the pinch. The next few months will tell the tale.

These manufacturers import all, or nearly all, raw materials. Their costs are thus above those of competitors in a more favorable location so far as sources of supply are concerned. In addition, there is the cost of distribution in a market where transportation is meagre and expensive.

These two things alone, it is claimed, help raise the price of Newfoundland manufactured articles a little above similar articles made on the mainland.

Also, fishermen on the south and west coasts are sailing their schooners to Halifax and North Sydney and buying supplies there. They save freight costs and take advantage of somewhat lower prices.

Competition from mainland firms was the bugaboo of Newfoundland manufacturers before union, and it so remains today. To see what help the Government could give the Newfoundland industries, which employ some 3,000 people and have a turnover of some $23 millions annually, a Newfoundland Secondary Industries Committee, headed by F. W. Bull, Department of Trade and Commerce, was set up in Ottawa with the task of easing Newfoundland secondary industry over the hump of union and through the transitional period.

But as things stand at the moment, all this committee can do is to see to it that the new province's manufacturers get a fair chance to tender for federal government orders. As an official of the Department of Trade and Commerce told The Financial Post "We can only deal with individual problems as they arise."

Some secondary industries here have received government orders, but it will take more than that to aid the firms which are badly hurt by mainland competition. About six firms out of 30 are having difficulty, but most businessmen here feel that this is a danger signal for the future.

Now Arranging Fourth Series Savings Bonds

OTTAWA (Staff) — A fourth series of Canada Savings bonds will be offered this fall and the third series will be withdrawn from sale on Aug. 31, Finance Minister Douglas Abbott has announced. Applications for the third series made before Aug. 31 with arrangements for deferred payments are not affected.

It is expected the fourth series will retain the features that proved so popular in the first three and will be available through bank and investment dealers as well as on the payroll savings plan.

Since the introduction of Canada Savings Bonds in 1946, Canadians have made more than three million purchases of bonds representing a total value in excess of $1 billion. Last year purchases on the payroll savings plan reached a new high of $118 million. The number of industrial and commercial establishments offering a payroll plan to employees also reached an all-time high and more than 43% of all employees to whom the payroll was made available bought bonds.

To organize and direct the new series, the six regional directors responsible for the excellent payroll results in series three have been reappointed. They are: British Columbia, L. F. Worsley, Vancouver; Prairies, H. A. Benham, Winnipeg; Ontario, J. H. Ratcliffe, Toronto; Quebec, G. Gingras and E. S. Morse, Montreal; Maritimes, C. T. Watt, Saint John.

Net Profit Higher For Canada Wire

Net profit of Canada Wire & Cable Co. for the six months ended June 30, 1949, was $577,000, President James Y. Murdoch advises shareholders. This compares with $420,000 for the corresponding 1948 period and with $945,000 for the last six months of 1948.

The net is equivalent to $19.45 ($14.16 in the same 1948 period) a class A share and to $3.44 ($2.39) a class B share.

Serial debentures of $150,000 were redeemed at maturity on July 15, 1949, leaving net bonded indebtedness of $2,700,000 presently outstanding.

Total number of employees is presently 1,795, a decrease of 165 since June 30, 1948, Mr. Murdoch states.

First Six Months:	1949	1948
Operating profits	$1,164,000	$839,000
Depreciation	202,000	161,000
Income taxes	385,000	278,000
Net profit	$ 577,000	$ 420,000

English Firm Buys Cons. Piece Dyers

Consolidated Piece Dyers Ltd., Toronto, said to be the largest wool dyers in North America, has been acquired by Bradford Dyers' Association Ltd. of Bradford, Eng., large fabric finishers.

The Canadian company, to be known as Bradford Dyeing Association (Canada) Ltd., operates plants at Montreal, Cobourg and Toronto. Established as Cobourg Dyeing in 1913, it acquired Canadian Dyers, Toronto, in 1928; Middlesex Dyers, London, Ont. in 1936 and The Holdsworth Co., Montreal, in 1936. A new plant was built in Toronto in 1937. The company recently completed a modernization program.

Board of directors of Bradford Dyeing Association (Canada) includes: H. S. Leybourne, president, formerly managing director of Consolidated Piece Dyers; N. K. Noble, secretary, Toronto; E. M. Padgett, Percy A. Holt, Bradford, Eng.; H. A. R. Myers, Westerly, R.I.; Ralph C. Tees, G. P. Holdsworth, Montreal.

Many of the B.D.A. finishes will become available to the Canadian textile trade under the new association, it is stated. B.D.A. has 30 plants in England, Egypt, U. S. and Canada.

Dosco to Close One Blast Furnace

MONTREAL (Staff) — Reflecting the return to normal demand for pig iron, one blast furnace of Dominion Steel & Coal Co. at Sydney, N.S., will be closed down soon. It will mean a reduction of 3,000-4,000 tons a month, or on yearly basis, about 10% of last year's total pig iron production.

The furnace which is being shut down was one which had been brought into production to take care of the acute shortage of pig iron.

About 100 men will be laid off.

Offer To Pay $10 A Common Share Bay-Adel. Garage

Directors of Bay-Adelaide Garage Ltd., Toronto, have recommended to shareholders acceptance of an offer made by Messrs. Stam. Warrington, E. H. Yeigh and E. N. Nourse, dated June 24, 1949, for purchase of the outstanding common shares of the company.

The purchasers offer to pay $10 a common share provided holders of at least two thirds of the issued and outstanding common shares (unless purchasers otherwise agree) shall accept the offer and deposit share certificates on or before Oct. 1, 1949. The offer which is good until Oct. 1, 1949, may be accepted by signing a form of letter of acceptance and transmittal and delivering it to the Chartered Trust Co., 34 King St. West, Toronto.

Payment, if the offer becomes binding, will be made by:

(1) The distribution of $50,000, which the purchasers have deposited with the trustee, on a pro rata basis among the accepting shareholders.

(2) The balance of the purchase price will be paid to the trustee in four installments of at least $10,000 each payable on or before Oct. 1 in each of the years 1950, 1951, 1952 and 1953 and the remainder on or before Oct. 1, 1954. This will be distributed among the accepting shareholders on a pro rata basis.

Subject to certain conditions the purchaser may withdraw from the purchase of the shares. Pending payment in full of the aggregate purchase price there will be an advisory committee composed of the present directors to whom purchasers will give full information on the operation of the company's garage. This committee consists of Messrs. J. F. M. Stewart, F. R. Bennetto, Frank Shannon, M. C. G. Meighen, A. M. G. Stewart.

There are outstanding 15,009 authorized and issued no par value common shares.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Army (Ottawa)—Lt.-Gen. Guy Simonds, to Kingston, Ont., and command of National Defense College and Canadian Army Staff College.

Brigdens Ltd. (Toronto)—F. H. Ryan (secretary), T. A. Hagarty (sales manager), directors.

British Columbia Tree Fruits Ltd. (Kelowna)—William Embrey, liaison officer to growers and shippers.

Canada Govt. (Ottawa)—Ashley C. Norcross, supt. of development, small holdings, Veterans' Land Act (Veterans Affairs Dept.); Edward R. Hopkins, deputy clerk of Commons; George L. Magann, to Greece as ambassador extraordinary & minister plenipotentiary; Hon. L. R. LaFleche, to Australia as high commissioner.

Canadian Credit Men's Trust Association Ltd. — A. H. Agett, B. C. division president.

Canadian Pacific Railway Co. (Montreal) — George F. Buckingham, assistant general traffic manager.

Canadian Teachers Federation — Dr. Bernice MacNaughton (Moncton), president.

Crown Trust Co. (Toronto)—Irving P. Rexford (general manager), president; Hon. G. Peter Campbell, vice-president.

Dominion Textile Co. (Montreal)—Percy Carmichael, assistant sales manager, converted fabrics.

Evangeline Broadcasting Co. (Kentville, N.S.) — Avard M. Bishop (Windsor, N.S.), president; Terry L. Meek, board chairman; John A. C. Lewis, station manager.

Federal District Commission (Ottawa) — Gaston Amyot (Quebec City), member.

Harry E. Foster Advertising Ltd. (Toronto) — Kenneth U. Lunny, copywriter, Montreal office.

W. & A. Gilbey Ltd. (New Toronto) — E. John Hooper, Toronto and Southeast Ont. representative.

Imperial Oil Ltd. (Toronto) — W. O. Twaits, to Calgary as management assistant, producing dept.; J. F. Fairlie, manager co-ordination and economics dept., head office.

International Association of Canadian Lions Clubs — A Greame Kirstine (Edmonton), president.

International Petroleum Co. (Toronto) — Victor R. Rose, a director and vice-president.

International Utilities Corp. (New York) — Col. L. D. M. Baxter (Winnipeg), a director.

C. Kanellakos & Co. (Montreal)—C. Kanellakos, president and managing director; V. Laphkas, vice-president; George Laphkas, secretary-treasurer.

Liquid Carbonic Corp. (Chicago)—R. C. Holbrook, a director (president and general manager Liquid Carbonic Canadian Corp., Mount Royal, Que.).

McGill University (Montreal) — Robert J. Lawson Slater (systemic theology), W. M. Birks (comparative religion), professors.

Minnesota & Ontario Paper Co. (Minneapolis)—William H. Schlafge, general supt., International Falls pulp & paper division; E. L. McCormack, special assistant to div, resident manager.

Henry Morgan & Co. (Montreal)—D. Stewart Patterson (general manager, Morgan Trust Co.), a director.

Nash Motors of Canada Ltd. (Toronto) — Thomas S. Adams, manager, Toronto production.

New Brunswick Electric Power Commission (Fredericton). — Isaac Melanson, chairman (and minister without portfolio in provincial cabinet); Donald T. Cochrane (Marysville), a member.

New Brunswick Govt. (Fredericton) — Hon. J. G. Boucher, provincial secretary-treasurer.

Saskatchewan Govt. (Regina) — J. A. Arnot, director, conservation & development branch, Agriculture dept.; Loyde T. Holmes, principal civil engineer in charge construction branch, Highways dept.

Sylvania Electric (Canada) Ltd.—J. C. Hicks, general sales manager.

Trans-Canada Air Lines (Montreal) — R. A. C. Henry, a director.

Turkey Govt. (Ankara)—Murallah Somer, ambassador to Canada.

United States Govt. (Washington)—Fred M. Wren, consul in charge visas, Montreal.

Banque Canadienne Nationale, Montreal, announces the retirement of L.-Arsene Goyette, Winnipeg branch assistant manager.

Obituaries

E. Wren Birkett, 50, Vancouver, president Birkett Agencies Ltd., Pacific Acceptance Co.

Arthur Cosens, 77, Vancouver, retired former president Putnam, Cosens & Wright Ltd.

W. H. Coverdale, 78, Montreal, New York and Kingston, Ont., president and managing director Canada Steamship Lines Ltd.

Dr. W. Ewart Ferguson, 62, Toronto, chief medical referee Excelsior Life Insurance Co.

Chipman Earl Grearson, 61, Montreal, vice-president and treasurer, Foundation Co. of Canada.

Duke C. Johnston, 68, Toronto, secretary-treasurer National Lumber Co., past president Canadian Lumbermen's Association.

Leo Edwin Levey, 59, Toronto, general sales manager Dunlop Tire & Rubber Goods Co.

Hon. Albert Matthews, 76, Toronto, partner Matthews & Co., president Excelsior Life Insurance Co., lieutenant-governor of Ontario 1937-46.

Ernest Clint Perley, 44, Ottawa, wartime director of tank production, Dept. of Munitions & Supply; earlier, general sales manager English Electric Co., St. Catharines.

Robert W. Steele, Westmount, Que., president and managing director Asbestos Corp., vice-president and a director Canada Trust, vice-president Canadian Collieries (Dunsmuir), Ltd., Western Fuel Corp. of Canada, Crown Trust Co.

Lorne F. Webster, 46, Toronto, partner Beatty, Webster & Co., investments; vice-president Toronto Bond Traders Association.

W. Ervin Woelfle, 76, Kitchener, Ont., founder, president and manager W. E. Woelfle Shoe Co.

Walter Woods, 41, Vancouver, vice-president B. C. Hotels Association.

New U. K. Ruling Stimulates Canadian Travel to Europe

The new ruling of the Bank of England, making U. S. dollars more readily available for Canadians visiting continental European countries, is expected to stimulate Canadian travel to Europe this year and next.

Under the new British regulations, sterling travelers' cheques issued in Canada, for use in sterling area countries, may now be exchanged in the United Kingdom for U. S. dollars to be used in European continental countries (The Financial Post, Aug. 6).

In some continental countries U. S. dollars may be more popular than Canadian while the Canadian FECB strictly rations its supply of U. S. dollars for travel in certain European areas, notably Italy and Switzerland. Accordingly there is an advantage to the tourist in being able to get a larger supply this new way.

Here is how it works:

The Canadian tourist planning to visit Europe, buys sterling travelers' cheques from his bank. When doing so, he turns over Canadian dollars for sterling. So the United Kingdom gets Canadian currency. On arrival in the United Kingdom he can then apply to have his sterling cheques converted into U. S. dollars.

Regarded of Equal Value

The United Kingdom, while short of both Canadian and U. S. dollars, regards them as about of equal value and accordingly is ready to supply U. S. dollars for sterling cheques which actually represent Canadian dollars received. These U. S. dollars can then be taken to the Continent where in some countries they may be more acceptable than Canadian currency.

All transactions must be at the official exchange rates, unless some traveler decides to operate on the black market.

The result is the exchange position of the Canadian traveler is helped, the U. K. exchange position is not hurt because it in effect exchanges U. S. dollars for Canadian while the Canadian exchange position is not weakened in any way. The U. K. merely takes U. S. dollars out of one pocket and exchanges them for Canadian in another.

Not Chargeable on Ration

The U. S. dollars which the Canadian traveler obtains this way are not chargeable against the Canadian resident's normal travel ration of $150 U. S. But the amount available under the new ruling must be "reasonable."

Easing of the exchange regulations in this particular case enables Canadian travelers to receive the benefit of the free market rate applying to U. S. dollar cheques. It is expected to stimulate Canadian travel to Europe substantially, this winter and in the Holy Year 1950.

The United Kingdom also stands to gain, as many people going to the Continent will probably spend a few days in Britain going or coming, spending welcome dollars there during their sojourn.

One banker pointed out that this relaxation of the U. K. exchange restrictions is an example of the readiness of the authorities to ease exchange regulations whenever conditions permit. In this case the Bank of England has evidently felt that the conversion of sterling cheques bought with Canadian dollars, into U. S. dollars can be permitted without any injury to any country.

N'fld Had $44 Million Surplus On Coming Into Confederation

From Our Own Correspondent

ST. JOHN'S — For the first time since Newfoundland came into union a full accounting has been given of the amount in the island's surplus account.

This money (amounting to $44 millions) may, according to the terms of union, be placed on deposit with the Government of Canada, but as yet this has not been done.

Under the terms of union this $44 millions may be used as follows:

1. One-third to be set aside for the next eight years for maintenance and improvement of public services;

2. Two-thirds to be used for development of resources and establishment or extension of public services.

Here are the official figures as given by the Minister of Finance:

Accumulated revenue surplus to 31st March, 1948, from Budget speech	$28,182,000
Add (1) Adjustments in light of final out-turn, 1947-48, as per public accounts of that year	$ 164,200
(2) Surplus of revenue over expenditures, interim figures, 1948-49	$ 1,126,000
(3) Proceeds sales of savings certificates, on loan to the United Kingdom, not included above	$ 1,800,000
TOTAL	$31,272,200
(4) Taxes on 1948 incomes $9,006,000. Less cost of collecting $97,800	$ 8,908,200
(5) Arrears 1948-49 revenue (Finance, $80,000, Natural Resources, $40,000)	$ 120,000
(6) Recoveries of pre-1949-50 advances:	
Finance	$ 6,406,500
Public Works	$ 200,000
Liquor Control	$ 1,700,000
TOTAL	$8,306,500
LESS: Account payable at date of union	$ 1,112,400
TOTAL	$ 7,194,100
TOTAL	$47,494,500
Deduct: Reserve for redemption of Sterling Debt in 1950 and 1952	$ 3,351,400
ADJUSTED SURPLUS AS OF 31st MARCH, 1949	$44,143,100

CLAUDE NEON GENERAL ADVERTISING LTD. 23,605 non-cumulative $49 par preferred shares, 42,453 10c par class A shares and 236,050 npv class B shares were admitted to trading on the Montreal Curb Market Aug. 11 on a "when, as and if" issued basis.

ALMINSTER OILS has been granted permission to release 250,000 pooled shares pro rata Aug. 12, leaving 670,000 shares still in escrow.

"Renowned British Worsteds" Suits
YOUR GUARANTEE OF TOP QUALITY!
69.50

Look for the label "Renowned British Worsteds," it signifies Simpson's finest two-trouser suits. Suits made of superior quality British worsteds with impeccable tailoring and finishing. You'll find patterns and shades usually found only in fine custom clothing . . . rich, good-looking suitings in the popular Fall trends. Young men's lounge and drape models, regular men's business or dress models. Tailored to Simpson's own standards for talls, shorts, portlys or regular builds. Many suits with that extra dividend of value, two pairs of trousers! Look for the label "Renowned British Worsteds," in the Store For Men . . . your guarantee of top quality!

- Fall shades!
- Fall patterns!
- Fall styles!

Suit 69.50

Simpson's — The Store For Men — Second Floor, Dept. 262.

Simpson's

Advertising

E. W. Reynolds Ltd. (Toronto) reports larger scale New York Life Insurance Co.'s advertising. One program is in financial papers and twice-monthly in 28 dailies; another uses page color ads in English and French editions of magazine.

* * *

Harold F. Stanfield Ltd. (Montreal) appointed to direct advertising of Sylvania Electric Products (Canada) Ltd., with head office in Montreal and plant at Drummondville, Que. Trade and consumer advertising begins in September in several Canadian publications.

* * *

O'Brien Advertising Ltd. (Vancouver) says campaign for Anglo-British Columbia Packing Co., Vancouver, will begin Sept. 1 in trade journals, farm journals, and newspapers coast to coast.

* * *

Harry E. Foster Advertising Ltd. appoints Kenneth U. Lunny as copywriter in its Montreal office. McGill graduate and RCAF veteran, he was previously a staff writer for The Standard, Montreal.

* * *

Tandy Advertising Agency Ltd. (Toronto) reports Continental Casualty Co.'s "polio insurance" now promoted by daytime newscast in Toronto; radio spots in other markets to begin immediately. Direct mail also used.

* * *

Canadian Advertising Agency Ltd. (Toronto) reports Brights' Wines will step up promotion in U. S. market this autumn. Full color salesmen's portfolio explains wines characteristics, says "yes" to question: "Can Canada Grow Wine Grapes?".

Old, established jewellery concern is interested in
purchasing
good pieces of jewellery.
Send particulars in confidence, without obligation, to
box 213

TECHNICAL EXECUTIVE
Graduate Chemical Engineer with 17 years' experience in industry. Knowledge of Canadian chemical industry very broad because of years spent in consulting work. Background in paint formulating and in chemical and raw material supply fields most valuable.
Experience in managerial position showed ability to handle men, materials and money. As director of research developed new and valuable products.
Desires connection with progressive concern where person with above experience could be a valuable asset as director of research or equivalent, and warrant substantial compensation.
The age is young enough to have a good future and old enough to have a broad and thorough experience. The references are excellent.
BOX NO. 224, THE FINANCIAL POST, TORONTO

Classified ADVERTISEMENTS
Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS WANTED

CHARTERED ACCOUNTANT with Bachelor of Commerce degree presently engaged as public accountant and auditor, experience as general accountant and internal auditor, age 29, free to travel, desires position with commercial company. Box 211, The Financial Post, Toronto.

EXECUTIVE ACCOUNTANT, age 39, with accounting degree and 20 years diversified experience, desires new connection. Apply Box 223, The Financial Post, Toronto.

SENIOR SALES EXECUTIVE AVAILABLE, fully equipped by sound training and productive experience both U. S. and Canadian to handle all phases today's tougher selling problems from house-to-house to jobber-dealer or industrial distribution. Calibre indicated by five-figure salary over ten years. In late forties. Health excellent. Drive and ambition youthful. Business judgment sound as former employers will state. Perhaps I can help you get more business at lower cost. Available now. Box 220, The Financial Post, Toronto.

IS THERE A LARGE retail organization looking for a young man with ambition, ability, integrity, and experience? The ideal man should be 44 years of age, married with family. He should have had two years experience Banking, two years in Wholesale Foods and Dry Goods, followed by ten years with one of Canada's leading multi-million dollar department stores—two years as Staff Superintendent—two years as Merchandise Manager—and six years as General Manager. He should be able to prove that he has strong executive ability, and is familiar with all branches of retail operations—planning—merchandise budget and control systems. He should have outstanding qualities of leadership, be a good organizer, have an excellent business reputation, and be able to produce. The advertiser has all these qualifications, and is presently at liberty to discuss a suitable proposition. Box 225, The Financial Post, Toronto.

POSITION AVAILABLE

WANTED a man between the ages of 30 and 40 who has had managerial experience or who at some time has operated his own business venture. Salaried sales position in financial business with pension and other security benefits. Give age, education, experience in full, marital status and minimum income required. Box 219, The Financial Post, Toronto.

AGENCIES WANTED

EXPERIENCED DISTRIBUTOR, new trucks, well financed, requires grocery line for store door-distribution Ottawa area. Replies confidential. Box 215, The Financial Post, Toronto.

MANUFACTURERS AGENT covering South Western Ontario, headquarters London, wishes to obtain additional lines preferably mechanical equipment and in direct connection with factory. Box 222, The Financial Post, Toronto.

BUSINESS OPPORTUNITIES

MANUFACTURERS
A LARGE SALES ORGANIZATION, selling direct to the consumer, cash and credit, and financing its credit sales, is interested in the exclusive distribution of a household specialty or utility in the Province of Quebec. Only products of good quality will be considered. A large volume of business is assured. Apply confidentially to Box 9255, The Financial Post, Montreal.

REAL ESTATE

FOR RENT on long term lease FIRST and SECOND floor of building situated at 757 Second Ave. East, Owen Sound. First floor approximately 1300 ft. suitable for any kind of Retail Store. Second floor approximately 1300 ft. suitable for Insurance or Finance Co. offices. These premises will be remodeled to suit tenant's requirements upon acceptance of a lease. Address inquiries to H. Noseworthy, 606 King St. E., Hamilton, Ontario.

WANTED TO PURCHASE

CHARTERED ACCOUNTANT would purchase half interest in or whole practice of other Chartered Accountant. Replies strictly confidential. Box 173, The Financial Post, Toronto.

Says It's Up To Britain To Help Herself in Crisis

(Continued from page 1)

will adopt an uncompromising or stand-pat attitude.

The Canadian representatives will be ready to use all the influence they can wield to bring the United States and the United Kingdom together, and the presence of a moderating and mediating third party may have considerable effect in smoothing out some of the most glaring differences of view.

U. S. View on Devaluation

It is mere speculation to guess how this influence may be used. But already U. S. views on the devaluation of the pound are veering round to the view which has always been held by the Canadian Government (that is, that devaluation may be necessary but is certainly not a cure in itself); and this change of the U. S. emphasis may not be pure coincidence.

On the other hand, the Canadians are in a very good position to persuade the British that they cannot blame the Americans for the falling-off in their export; and it is easier for Canadians than for Americans to tell the British that their price system has got out of line.

Moreover it is believed here that international measures, in which the United States must inevitably play the major role, can be devised to help the British once they have made the essential decision to tackle the causes of their high-cost economy. Everything, it is felt here, depends on that, and no one supposes that it will be easy.

The changes in economic and financial policy which seem necessary in Canadian eyes to correct the British situation may have very serious political consequences. Considerable courage is demanded of British ministers, and so far as is known here they have not yet decided the line to take at Washington. Sir Stafford Cripps is still resting and recuperating in Switzerland. Mr. Bevin and Herbert Morrison are attending the Council of Europe at Strasbourg.

It is considered very doubtful therefore whether the United Kingdom Government will have time to adopt any measures adequate to the situation before the Washington meetings. But if they are able to show the Canadians and Americans at Washington that they mean to initiate the drastic changes of policy needed to break down the British high-cost level, then it is thought that both Canada and the United States will do everything in their power to create favorable conditions for the changes.

PRICES

(Continued from page 1)

producers showed sharp rise in July and shipments were slightly below June. This, together with the uncertainty created by the proposal to reimpose the U. S. copper import duty of 2c lb. is thought to be restraining dealers from making any price adjustments at present.

Zinc buying continues to be satisfactory at the 10c price which is expected to hold until a decision is reached in the steel strike negotiations.

Aluminum alloy ingots strengthened further, up ½c-¾c lb. due to inventory replacement by non-ferrous foundries and diecasting plants.

Flour from soft winter wheat has declined about 73c per 96 lb. bag as result of declining export orders. Lower flour prices are not expected to have much effect on bread prices since other costs involved in bread-making are still so high.

Nuts are going to cost more this Christmas. Cashews and Brazil nuts are already up about 3c. lb.

Govt's Protest New Move Against Barcelona Traction

(Continued from page 1)

operations in Spain. Its principal assets are the securities of its operating subsidiaries in Spain, chief of which is Ebro Irrigation & Power Co., a Canadian company with an office in Barcelona.

The Ontario Receiver and Manager, Mr. Glassco, declares the whole manoeuvre is illegal. He points out that Barcelona was declared bankrupt notwithstanding the fact it is a purely Canadian company, not subject to jurisdiction of the Spanish courts, and that the physical assets of the subsidiary companies were seized in spite of the fact there was no question as to their solvency.

The liquid assets of Ebro alone are more than sufficient to pay off the arrears of interest on the bond indebtedness upon which the bankruptcy action against Barcelona was founded.

"This seizure was in complete disregard of the separate corporate personalities of the subsidiary companies, some of which, like their parent, are incorporated in Canada," Mr. Glassco states.

National Trust Co., trustee under the Barcelona Traction trust deed, has on the direction of the Ontario Supreme Court attempted to have the Spanish bankruptcy order set aside. Its right to appear has not been recognized by the Spanish court. It holds the entire share and loan capital of Ebro as security for Barcelona's first mortgage bonds.

In a statement, Mr. Glassco declares:

"In the opinion of Counsel to the Receiver and Manager, the holding of a creditors' meeting and the appointment of sindicos to adminster the assets may not lawfully be proceeded with until the fundamental questions as to the validity of the bankruptcy proceedings have been settled. In spite of this view and the continuing inability of the opponents to the bankruptcy proceedings even to have their cases heard, the Spanish Courts have nevertheless ordered the creditors' meeting to be called.

"Serious concern has already been felt over the consequences of the management by nominees of the Spanish Court of the vast undertakings of the subsidiary companies in Spain. This concern will be greatly increased if the control of the undertakings is handed over to sindicos having apparently broader powers over the assets than the original administrators.

"The ultimate danger is that if the bankruptcy proceedings in Spain continue, the point will be reached where the assets of the subsidiary companies will be sold for non-convertible pesetos.

"So grave are these possibilities and so unsatisfactory has been the course of events in Spain since the Spanish bankruptcy was made that the Canadian Government, which had previously protested to the Spanish Government against the treatment being accorded Barcelona Traction, has sent a further note to the Spanish Government. The United States Department of State instructed the United States Embassy in Madrid to support the Canadian note. Similar action has been taken by the Belgian Government which has interested itself in this matter as a result of substantial Belgian interests in the securities of this Canadian company."

Will U. S. Buy Arms Here?

(Continued from page 1)

which we could economically produce. (A list of such items has been in the hands of U. S. authorities for some time.)

If there isn't going to be this green light, the long-term possibilities of standardization and continental defense co-operation are greatly limited.

No nation would start switching to U. S. equipment unless she could see for a reasonable way ahead a means of paying for that equipment. Once we do switch to U. S. types we're "stuck." We found this very shockingly last year when we were unable to buy spare parts for our U. S.-type tanks.

Still retained in the present version of MAP is the authority for Canada to obtain weapons from U. S. Also retained is the off-shore purchase facility.

Both these provisions are useful and very welcome.

But without the third permission — authority for the U. S. to purchase abroad to meet its own needs — it looks as if very sharp limitations have been placed on Canada-U. S. defense co-operation.

Tourists Are Paying Off Motel Boom

(Continued from page 1)

tions, while in the middle bracket, a new hotel was opened last month in Amherst, N.S.

Other hotel construction is in the planning stage. Quebec City anticipates two new hotels which would add 600 to 700 rooms, but not until 1951 or 1952. Edmonton has major hotel work ahead, but it will reflect that city's industrial development as much as its tourist trade. Additions to existing hotels have been mooted for Toronto and Ottawa.

Regulations on Accommodation

What's been done to give the tourist either (a) assurance that all resorts meet some basic minimum standard, or (b) uniform means by which he can judge the various grades of accommodation offered?

Supervision along one or both of these lines is reported by British Columbia, Alberta, Manitoba, Ontario, Quebec, Nova Scotia, and Prince Edward Island.

In addition, Saskatchewan and New Brunswick say they are "considering" similar legislation. Newfoundland reports "steps are being taken to up the standards of new cabins."

In many communities, provincial legislation is augmented by a measure of municipal control. Vancouver, for instance, has additional inspection by city health officials. Directors of the North Bay Chamber of Commerce visit camps in that area and, "if a camp falls below the standard set by its own advertising . . . take action to see to it that the camp brings its facilities in line with its publicity."

Niagara Falls licenses all tourist homes and cabins; requires operators to display an approved standard sign carrying the license number; and supplies uniform rate cards which must be completed and placed in the main-floor hallway and in each room for rent.

Montreal's Tourist and Convention Bureau recommends "only tourist homes which are members through being able to meet a standard of requirements in cleanliness, appointments, and rates."

In the Eastern Townships around Sherbrooke, an association known as the Eastern Township Tourist Association has been formed to look after all phases of the industry, including "publicity, control, improvements, and education."

Other measures of municipal control are reported by Fort William, Windsor, and Ottawa.

Are Regulations Observed?

How effective is the supervision of tourist accommodation in this country?

Most municipalities have no specific complaint to make about provincial supervision. Vancouver mentions that, while enforcement is satisfactory for tourist courts, it is "not very good" as far as hotels are concerned. The reason given is that provincial hotel inspectors concern themselves primarily with beer parlours. Nevertheless, the better metropolitan hotels keep up to a high standard without inspection.

In Ontario, Fort William and North Bay contended that, while the provincial government issued regulations on the topic, it hadn't seen to it that they were observed, at least in their areas.

Quebec City reports municipal and provincial authorities are studying the possibilities of more rigid control which would guarantee better accommodation. At present, it is explained, licensing regulations are such that a hotel operator has only to comply with certain requirements concerning safety, sanitation, and minimum comfort. Cabin control is, however, a little more rigid in that no permit is granted unless an operator fulfills certain requirements such as running water and toilets in all units as well as dining facilities.

One test of whether the present control system has "teeth" is whether or not licenses have actually been revoked for failure to comply. Ontario reports four licenses revoked, and Alberta two. In the latter province, drinking water was blamed in both instances. Nova Scotia says some licenses have been "refused," while a similar reply comes from the City of Windsor. Other provinces and communities claim that the enactment of control has brought about a "noticeable" improvement as operators strive to meet requirements.

Look for it Here

Aug. 20, 1949

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Crown Trust Appointments

IRVING P. REXFORD

HON. G. PETER CAMPBELL, K.C.

At a meeting of the Board of Directors of Crown Trust Company, Irving P. Rexford, Vice-President and General Manager, was elected President to succeed the late Arthur F. White. The Honourable G. Peter Campbell, K.C., LL.D., a Director and a member of the Company's Executive Committee, was elected a Vice-President.

Mr. Rexford, one of the founders of Crown Trust Company (Montreal), has been an active trust company executive for over 40 years and will continue as General Manager. He was elected to the Directorate and appointed General Manager in 1920 and since 1939 has been Vice-President and General Manager.

Colonel The Hon. Herbert A. Bruce, M.D., F.R.C.S., and John A. McDougald, both of Toronto, and Horace A. Howard, Calgary, continue as Vice-Presidents of the Company.

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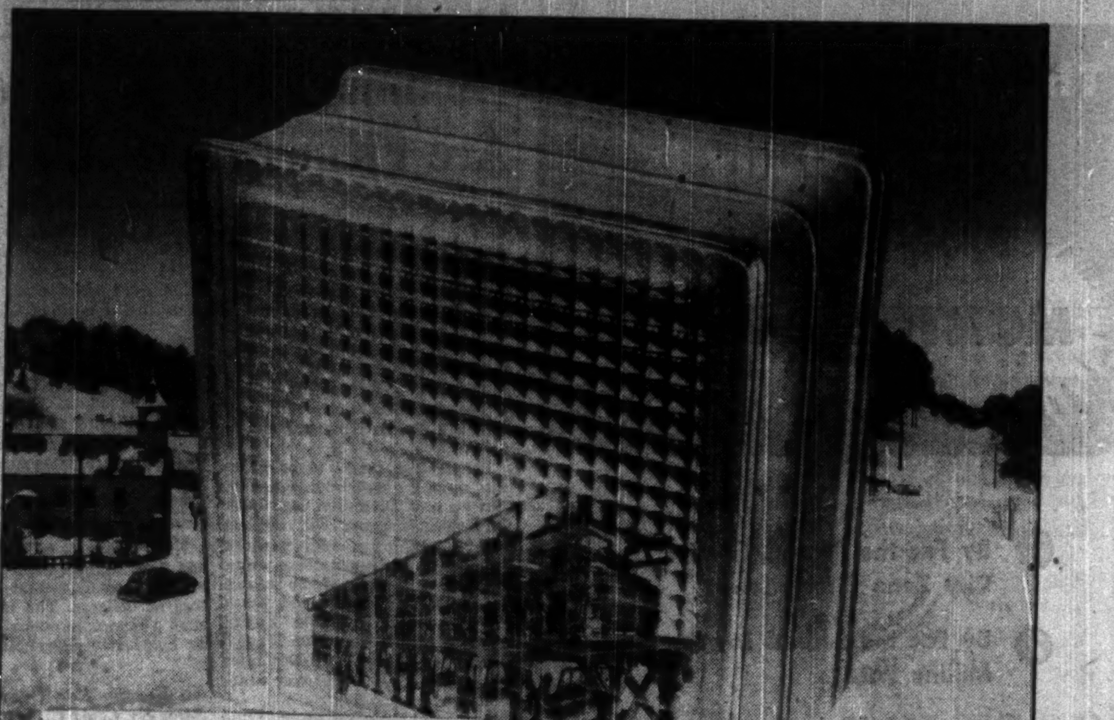

• *PC Glass Block installation, Winnipeg Free Press.*
Architects: Green, Blankstein & Russell.

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Every winter day, 1,248 hollow blocks of glass help the Winnipeg Free Press meet a deadline. They do it by keeping the press room warm.

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• *Also sold in Canada by Hobbs: Twindow insulating windowpanes, Foamglas insulation, Corrugated glass, Herculite tempered glass, Nucite glass chalkboard, Plate glass, Safety glass, Mirrors, Carrara, and Pittsburgh Paints.*

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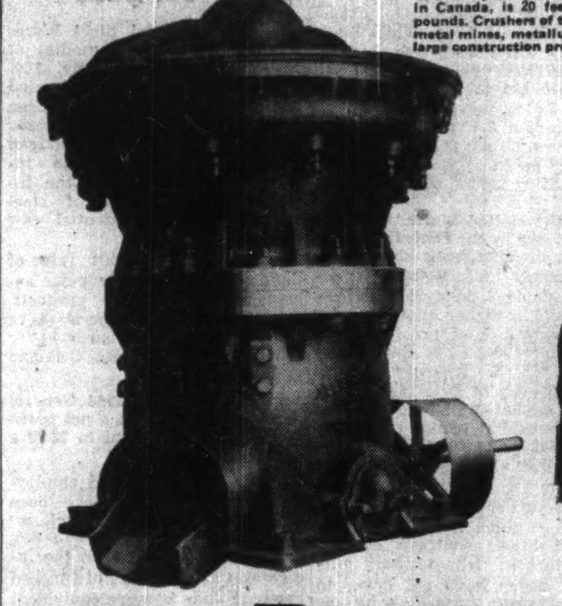
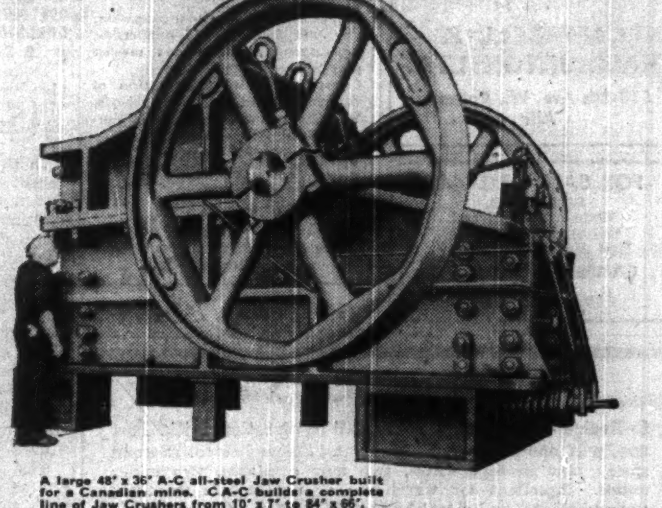


42-inch Gyratory Rock Crusher, largest ever built in Canada, is 20 feet high and weighs 290,000 pounds. Crushers of this type in many sizes serve metal mines, metallurgical plants, quarries and large construction projects.



A large 48" x 36" A-C all-steel Jaw Crusher built for a Canadian mine. C A-C builds a complete line of Jaw Crushers from 10" x 7" to 84" x 66".

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INVESTMENTS THIS WEEK

Dominion Bonds' Prices Are Firmer, Market Quiet

After giving indications of "taking the bit in its teeth" last week, the Canadian high-grade bond market quietened down early this week but remained firm. Some investment men expect to see more activity still and look for prices to strengthen perhaps another one half point for the longer terms particularly if there is no new Dominion loan other than the Fourth Savings Bond issue this fall.

The feeling seems to be growing among investment dealers that no new Dominion loan other than savings bonds will be seen this fall. One of the chief reasons, they say, is that such a loan would interfere with sales of the savings bonds as their sale period would be the most desirable during which to sell a Dominion loan. It is also felt that the Dominion could easily finance over until next spring.

Last week's market activity was sparked by institutional switching from shorter-term to longer-term bonds. This would indicate a renewed confidence in the likelihood of the present interest rate levels being maintained. There was also apparently some cash buying and U. S. buying.

Quite an interest in all Canadian bonds has been created in the United States by last week's announcement that Canada would offer a new $100 million 2¾% refunding bond issue due in 1974 in the United States. Proceeds will be used to redeem three issues: $57,728,500 CNR 5% bonds due Oct. 1, 1969, which have been called for payment Oct. 1; $19 millions Montreal Harbor Commissioners 5% bonds due Nov. 1, 1969, to be called for payment Nov. 1; and $17,338,000 CNR 5% bonds due Feb. 1, 1970, to be called for payment on Feb. 1, 1950. The new loan will be a direct obligation of the Canadian government and not a guaranteed issue like the bonds being redeemed.

In Canada a strengthening factor was the action of the Bank of Canada in stopping dealing in the four longest issues, the sixth, seventh, eighth and ninth Victory Loan 3% issues. This has further curtailed the supply available and strengthened quotations.

Eighth Victory Loan 3% bonds due Oct. 1, 1959/63 and Ninth Victory Loan 3%'s due Sept. 1, 1961/66 are both currently quoted $101.75 bid to $102.25 asked to yield 2.74% and 2.78% respectively to call date and are $0.625 higher on the bid price since the first of this month. In the same period Seventh Victory Loan 3%'s due Feb. 1, 1959/62 have gone up $0.75 to be quoted $102 bid to $102.50 asked to yield 2.70% while Sixth Victory Loan 3%'s due June 1, 1957/60 have gone up $0.375 to $102.375 bid to $102.75 asked to yield 2.61%.

Dominion 3% perpetuals have also been strong at $100.75 bid to $101.50 asked to yield 2.89% and up $0.25 on the bid side since Aug. 1.

In the United States, the most recent step by the Federal Reserve Board (cutting bank reserve requirement) in furtherance of its "easy money" policy has reflected itself in higher quotations for debt securities of practically all types including U. S. government bonds. U. S. Treasury Victory Loan 2½%'s of Dec. 15, 1967/72, which are not eligible for purchase by commercial banks, pushed to $103 5/32 bid to yield about 2.29% as against about $102 12/32 the first of the month and around $100½ earlier this year.

The situation here and in the United States contrasts sharply with that in Britain where gilt-edged bonds have got down to about a 3.50% yield basis. Weakness in British bonds has been attributed to uncertainties of the country's economic and financial position. There is a disposition to believe that its gilt-edged market will steady itself around present levels. British 3% Savings Bonds due 1965/75 are quoted about 93⅞ flat to yield about 3.36% as against about a 3.07% basis the middle of last May. British 2½% Consols are currently quoted about £73 or about 3.42% yield basis as against about a 3.07% basis the middle of May.

* * *

Annual Reports

Guaranty Trust Co. of Canada has received a "highest merit award" citation for "distinguished achievement in annual reporting" in the ninth annual survey of annual reports conducted by The Financial World.

* * *

Neon Products of Western Canada Ltd. annual report does not contain any comments of directors or officers. The inclusion of such a report on operations would be helpful to shareholders.

* * *

No Reason For Deep Gloom Seen By C. of C. Economist

While it begins to look as though 1948 will hold the undisputed record for economic activity for a while, there seems to be no reason for deep gloom at prospects for 1949, according to G. C. Smith, research economist of the U. S. Chamber of Commerce. Recent developments reaffirm the feeling that the current business slide is not developing into anything resembling the depressions between the two world wars, he points out.

In the present situation there is none of the evidence of financial strain apparent in past depressions, Mr. Smith states. Liquidity is high, interest rates are low, the mortgage structure is far better, and the stock market has been rising steadily since the beginning of June.

The excess reserve position of the member banks of the Federal Reserve System has been maintained at approximately last year's levels after two reductions in reserve requirements.

There is some evidence that the downward pressure of the psychological factor also is abating, he feels. Buyers, both business and private, who have held off buying in anticipation of sharply lowered prices, have been returning to the market in the belief that the bulk of price adjustments are over, at least for the time being. The rising wholesale price index will bolster this belief, Mr. Smith states.

GSW Sales Up 17% in Half

Sales of General Steel Wares Ltd. for the first six months of 1949 were approximately 17% over corresponding 1948 period and increases in profits have been fully in line with this increased turnover, President F. S. Corrigan advises shareholders. The increased volume reflects the increase in availablity of steel sheets and other essential raw materials.

Due to the current rate of building activity and popular acceptance of company products, management expects operations to continue at present high level for balance of year, Mr. Corrigan adds.

In the full year 1948 General Steel Wares reported a net profit of $960,157, equivalent to $2.28 a common share.

While production and employment in all plants have been maintained at a high level, inventories have increased only 8%, or considerably less than the increase in sales. Stocks of finished goods at June 30 were equivalent to less than 1½ months' sales requirements, a slight improvement in ratio as compared with last year, Mr. Corrigan states. Collections continue on very satisfactory level.

Construction of additional buildings in London, Ont., to provide a further 65,000 sq. ft. manufacturing and warehouse space for appliance lines is well under way. The building should be occupied before the year end.

The labor contract with the United Steelworkers of America was renewed for the year commencing July 1, 1949.

Net Rev. Up 9% For Brazilian

Net revenue of Brazilian Traction, Light & Power Co. for the six months ended June 30, 1949, is estimated at $13,551,953, up 9.2% from the comparable 1948 net of $12,415,722.

Gross earnings were 21.9% higher at $59,071,227 as compared with $48,461,954. This increase was largely offset by a 26.3% increase in operating expenses, depreciation, amortization and other charges which amounted to $45,519,274 as against $36,046,232.

In the whole year 1948 Brazilian Traction earned the equivalent of $3.85 a common share. If the 9% increase shown in net revenues for the first six months of 1949 continues for the balance of the year and is carried through to net profit, the company would show earnings of around $4.15 to $4.20 a common share.

As a result of its exchange position, the Republic of Brazil recently instituted a new "austerity" import and dollar exchange control program. This program has not changed the exchange position of Brazilian Traction in so far as obtaining exchange for payment of dividends is concerned, The Financial Post understands.

JAMES E. HOUSTON

has been appointed to the new Toronto office of Robertson & Morgan, Montreal, general brokerage.

Canadair Seeks Own Design

MONTREAL (Staff) — Canadair Ltd., big Montreal aircraft manufacturer, will now originate and develop its own aircraft designs, President H. O. West announced this week. This move, it is hoped, will supplement models now in production and under license from other manufacturers.

To handle the aeronautical engineering activities, such as design, research and development, Canadair has appointed William K. Ebel, D.SC., D. Eng. as vice-president, in charge of engineering. Mr. Ebel has been with Curtiss-Wright Corp. in United States as director of engineering. Prior to this he was with Glenn L. Martin Co. for 25 years in various capacities, and was vice-president of engineering during the last seven years with the company.

Net Income Up For Jamaica PS

Net income of Jamaica Public Service Ltd. in June was $39,494, up 133% from $16,951 for June 1948. Earnings of $448,482 in the 12 months ended June 30 ($305,644 in comparable 1947-48 period) were also up sharply and equivalent to $2.16 ($1.18).

The improved earnings figures reflect the bringing into operation last fall of the company's new Roaring River hydro-electric plant.

It is pointed out that financial statements of the company's operating subsidiary are converted into dollars at the rate of $4.86-2/3 per pound sterling. Thus the earnings and other figures have to be reduced by approximately one-sixth to bring them into line with current exchange rates. The common stock has been selling recently at around $13½ per share, which, at the current dividend rate of $1 per share gives an indicated yield of 7.4%.

When paying dividends in Canadian dollars, the company charges the exchange losses against accumulated earned surplus. In 1948, for instance, the company paid dividends of $25,067 on the 3,581 7% $100 par Canadian dollar preference shares outstanding in the hands of the public, and $135,000 on the 135,000 $5 par common shares.

Barcelona Traction, Light and Power Company, Limited

STATEMENT BY RECEIVER AND MANAGER

APPOINTED BY THE SUPREME COURT OF ONTARIO

A meeting of the creditors of Barcelona Traction, Light and Power Company, Limited has been called by the Spanish Court in the bankruptcy proceedings taken against the company in Spain. The meeting which is to be held in Reus, Spain, on September 19, 1949, has as its principal purpose the appointment of "sindicos" who would apparently have broader powers over the management and disposition of the Spanish assets than are enjoyed by the individuals who were originally placed in control thereof by the Spanish Court. This development may have very serious consequences for the various classes of bondholders and the shareholders of the company.

Barcelona Traction, Light and Power Company, Limited is a Canadian company with no business operations in Spain. Its principal assets consist of the shares and securities of subsidiary companies operating in Spain which have played an important part in the development of hydro-electric energy in that country. These shares and securities are mortgaged to secure the sterling bonds of Barcelona Traction and are deposited in Canada with National Trust Company, Limited, the trustee under such bond issues. Because of exchange restrictions imposed by the Spanish Government it has not been possible for some years to withdraw from that country earnings of the subsidiary companies to permit the payment of interest on the sterling bonds of the parent company.

Notwithstanding the fact that Barcelona Traction, Light and Power Company, Limited, the parent company, is not subject to the jurisdiction of the Spanish Courts, a judge in the town of Reus, Spain, upon the application of several Spaniards having small holdings of Barcelona Traction bonds, in February, 1948, declared the company bankrupt. The same judge ordered the seizure of the physical assets of the various operating subsidiaries in spite of the fact that there was no question of the solvency of such companies. This extraordinary procedure was in complete disregard of the separate corporate personalities of the subsidiary companies, some of which, like their parent, are incorporated in Canada. As a result, virtually the whole of the operating assets of the enterprise have fallen into the hands of the nominees of the Spanish Court.

In view of these developments and believing that the Spanish proceedings placed in jeopardy the security for the bonds of Barcelona Traction, National Trust Company, Limited, the trustee for the Consolidated 6½% Prior Lien Bonds and the 5½% First Mortgage Bonds, brought an action in the Supreme Court of Ontario, Canada, to enforce the security of the trust deeds. A Receiver and Manager of the assets of Barcelona Traction was appointed in this enforcement action on 15th July 1948. At the direction of the Ontario Court the Receiver and Manager is attempting to have the Spanish bankruptcy proceedings and the seizure of the assets of the subsidiary companies set aside. It has not yet been possible, however, to have the fundamental legal issues involved heard by any Spanish Court due to procedural difficulties caused by various persons opposed to the position taken by the Receiver and Manager.

National Trust Company, Limited has also at the direction of the Supreme Court of Ontario attempted to appear in the Spanish bankruptcy proceedings for the purpose of contesting the validity of such proceedings and of the seizure of the assets of the subsidiary companies. Its right to appear has, however, not been recognized by the Spanish Courts.

In the opinion of Counsel to the Receiver and Manager, the holding of a creditors' meeting and the appointment of sindicos to administer the assets may not lawfully be proceeded with until the fundamental questions as to the validity of the bankruptcy proceedings have been settled. In spite of this view and the continuing inability of the opponents to the bankruptcy proceedings even to have their cases heard, the Spanish Courts have nevertheless ordered the creditors' meeting to be called.

Serious concern has already been felt over the consequences of the management by nominees of the Spanish Court of the vast undertakings of the subsidiary companies in Spain. This concern will be greatly increased if the control of the undertakings is handed over to sindicos having apparently broader powers over the assets than the original administrators. The ultimate danger, if the bankruptcy proceedings in Spain continue, is that the point will be reached where the assets of the subsidiary companies will be sold for non-convertible pesetas.

So grave are these possibilities and so unsatisfactory has been the course of events in Spain since the Spanish bankruptcy order was made that the Canadian Government, which had previously protested to the Spanish Government against the treatment being accorded Barcelona Traction, has sent a further note to the Spanish Government. The United States Department of State instructed the United States Embassy in Madrid to support the Canadian note. Similar action has been taken by the Belgian Government which has interested itself in this matter as a result of substantial Belgian interest in the securities of this Canadian company.

TORONTO, Canada.
August 12, 1949.

J. GRANT GLASSCO.
Receiver and Manager.

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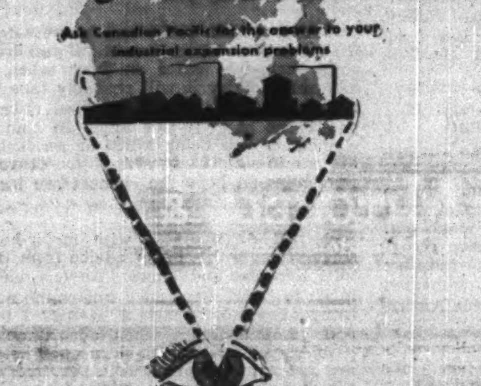

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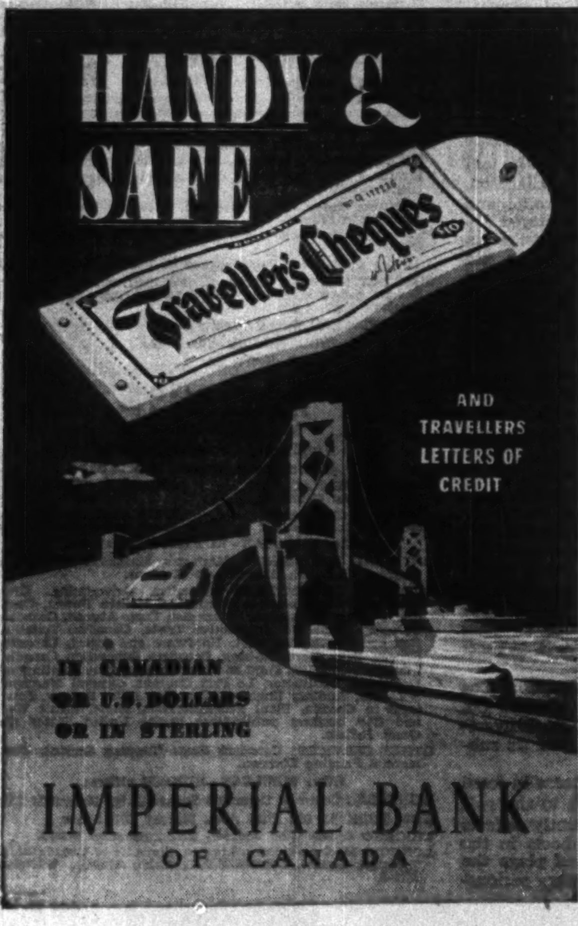


MANAGED INVESTMENT

Compton Advises Caution Pending Washington Talks

Although the stock market has risen in the past month, Compton's manager has not advised any sales or purchases. The clouded outlook for the September meeting in Washington of the U. K., U. S. and Canadian finance ministers continues to call for caution, he feels.

Compton's Manager Says:

No purchases or sales were made for your account during the month ended Aug. 15.

During the month the market value (reckoned at bid prices) of your investment portfolio has increased by a little over $200. This reflects the steady advance during the past month of stock prices in both the New York and Canadian markets. The stock market, as measured by the Toronto Stock Exchange index of industrial stocks, rose from 169.5 on July 16 to 176.5 on Aug. 15, or 4.1%.

In view of the clouded outlook for the September meeting in Washington of the U. K., U. S. and Canadian finance ministers, we believe that caution continues to be a virtue for all small investors.

Indicative of current trends in business conditions are the following items:

C.P.R. has declared a dividend of 50c a share on the common stock payable Oct. 1 to bring total payments in 1949 to $1.25 a share, the same rate as in 1948. Company's directors point out that the dividend payable Oct. 1 is attributable entirely to income from sources other than rail operations. Net earnings for the six months ended June 30 amounted to $2,988,543 as compared with a deficit of $163,603 during the same period of 1948.

Abitibi Power & Paper Co. report a net profit of $4,083,407 for the six months ended June 30, which is equivalent to $2.88 on the $1.50 preferred stock and to $2.40 a common share.

Hudson Bay Mining & Smelting Co. net profit for the first six months of 1949 was equal to $2.49 a share as compared with $2,75 a share during the corresponding period of last year.

Under terms of the new management agreement between us which became effective Jan. 1, you drew $55 from your cash account. But as during the month ended Aug. 15 you received only $27.88 from dividends and interest, your cash balance was reduced by $27.12. This left $117.01 cash in your account at Aug. 15.

The Compton Fund Now Stands

No. of Shares		Cost per sh.	*Market per sh.
	Common Stocks	$	$
5	Aluminium Ltd.	49¼	51
10	Building Prod.	28⅞	30½
10	Can. & Dom. Sugar	22	20¼
30	Can. Canners	19¼	17⅛
5	Can. Industries	19¾	19½
10	Can. Pacific Rlwy.	13¼	15⅛
25	Cockshutt Plow	12⅛	12¾
20	Consol. Litho.	17¼	24
5	Consol. Smelters	85	89
25	Gypsum, Lime & Alab.	15⅝	15⅛
15	John Labatt	20	19
20	Montreal Locomotive	18	18
15	Nat. Steel Car	19¾	18¼
20	Simpsons A	28½	24½
20	Walkers	26¾	29¼
	Preferred Stocks		
35	Abitibi, $1.50 pfd.	20¾	18½
30	Can. Wire Box, A	23⅝	21¾
25	E. B. Eddy Co. A $1	22	14¾
50	McCabe Grain, A	1	8⅝
25	Riverside Silk, A	32½	28½
30	D. Stuart Oil	16¼	17
120	York Knit. Mills A	7¾	6½
	Mining Stocks		
100	Teck-Hughes	3.90	3.40
5	McIntyre	64½	64⅛
15	Kerr-Addison	16¼	17¾
10	Hudson Bay	45¾	46
	Bonds		
$1,100	Can., 3% 1957/60	100	102¼
$1,300	Can., 3% 1959/62	100.98	101¾
	Cash		$117.01
	Curr. Market Value of Fund		$13,258.26
	Aver. Yield on Original $10,000		8.41%

*Bid price on Aug. 12.

Mtl. Loco. Outlook Bright But Diesel Fight Shapes Up

MONTREAL (Staff) — Operations at Montreal Locomotive Works are continuing at a high level, and outlook for the company for the rest of the year is favorable, according to a company official.

Montreal Locomotive has been working on production of both heavy steam locomotives and Diesel-electrics. Most of the steam orders have been for foreign purchasers such as India, Egypt and Nigeria. Both CNR and CPR have been making increasing use of Diesels in the postwar period, and the company is hopeful that a complete Dieselization program will develop in Canada. It has been increasing its Diesel manufacturing capacity, and will have completed the second stage of this expansion by the end of this year.

New Canadian competition for the company in the Diesel-electric field will be forthcoming when General Motors Diesel Ltd's new $5 million plant at London, Ont. gets into production. Plans for erection of the new Diesel factory were announced last month, and this is regarded as having been a factor in the recent slide in the market value of Montreal Locomotive shares from $21 per share early in July to a low of $17 last week. However, the shares rallied somewhat and were trading around $18¼ at early midweek.

Observers point out that CNR and CPR Dieselization plans are likely to provide a considerable volume of business for locomotive manufacturers in the future, including a substantial renewal parts business. General Motors has been in competition in the U. S. with Montreal Locomotive's parent company, American Locomotive, for many years, and the new CNR 4,500 hp multiple-unit Diesels introduced on the Toronto-Montreal run last year were imported from GM's plant in the United States.

Fire Closes Plant Of Cooksville Co.

Operations at the Cooksville, Ont., brick plant of Cooksville Co. will be closed down for some months as a result of a disastrous $500,000 fire last Tuesday according to A. U. Coté, vice-president and general manager.

The fire wiped out an acre of buildings, damaged more than two million bricks and burned at least a dozen railway box cars parked on sidings between the buildings. Of the company's 48 kilns, 32 or two-thirds were completely destroyed. A new drier, just installed, was destroyed. The "Haydite" plant (which manufactures an aggregate used in place of gravel in mixing concrete) was knocked out of commission when steam lines broke. An explosion blew up the coal-gas plant.

The loss is fully covered by insurance according to plant officials.

Plant's destruction is expected to cause a shortage of bricks throughout Southern Ontario and may slow up building — both residential and industrial — there. The plant, described as largest of its kind in Canada, turned out 45 million bricks a year. This is about 14.7% of Canada's total 1948 brick production of 306.5 million bricks.

Some 300 men are employed at the plant.

Secured Term Notes Issued By Simpsons, Ltd.

Simpsons, Ltd. issued $1 million of 3¼% secured term notes, due Dec. 15, 1956, as of June 15, 1949, The Financial Post is informed. This additional issue increased the issued and outstanding 2½%-2¾%-3%-3¼% series A secured term notes due Dec. 15, 1950-56, to a total of $10 millions.

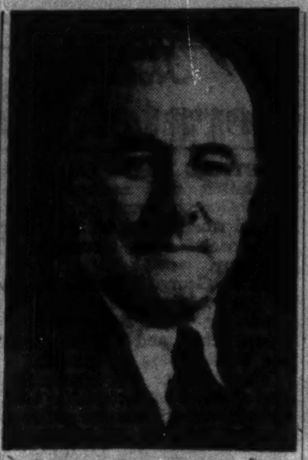
VILLAGE PORT ROWAN, Ont., has sold an issue of $98,000 3½% 20-year debentures to a syndicate composed of Canadian Bank of Commerce and Anderson & Co. at a price of $100.637 or a cost basis of about 3.43%. Proceeds are to construct a waterworks system.

VILLAGE OF RIPLEY

Tenders are invited for the purchase of $30,000.00 of Village of Ripley Debentures bearing 3¼ per centum per annum and principal and interest repayable in twenty payments spread over twenty years. Only the last debenture maturing in 1969 will be callable. These debentures are being issued for the payment of a new school.

Tenders close on Monday, August 22nd, on which date all tenders must be in the hands of Gideon Ruttle, Clerk of Ripley. Further details may be obtained from Gideon Ruttle, Ripley, Ontario.

GIDEON RUTTLE,
Clerk of Ripley,
Ripley, Ontario.



R. C. HOLBROOK,

president and general manager of Liquid Carbonic Canadian Corp., has been made a director of Liquid Carbonic, Chicago.

Mexican Light Reorganization Plan Ready Soon

The reorganization plan for Mexican Light & Power Co. is expected to be made available to shareholders in two or three weeks. After approval, the plan must be sanctioned by the Supreme Court of Ontario.

The company has applied to the International Bank for Reconstruction and Development (World Bank) for a loan of $26 millions in connection with its $50 millions expansion program in Mexico. As a condition of the loan, the World Bank has required that the company reorganize its capital structure so that the World Bank loan will rank pari passu with the existing first mortgage indebtedness of the company and its subsidiaries.

It is understood that the plan, which is being drawn up by the First Boston Corp. acting in an advisory capacity, will provide for the issuance of $11,092,400 first mortgage and collateral trust bonds, series A, 5%, due 1975 under a mortgage indenture dated Feb. 1, 1950, and of $6,606,200 5% cumulative income debenture stock under deed of trust dated Feb. 1, 1950.

An application made by the company to the U. S. Securities & Exchange Commission indicated that the first mortgage and collateral trust, series A, bonds are to be issued to the holders of the presently outstanding 5% first mortgage bonds of Mexican Light & Power and its subsidiaries, Pachuca Light & Power Co. and Mexican Electric Light Co. and that the 5% cumulative income debenture stock will be issued to holders of the presently outstanding 5% second mortgage bonds of Mexican Light & Power Co.

DOMINION COAL CO. reports July production of coal was 358,035 tons. Production for the first seven months of 1949 totalled 2,582,762 (2,733,294 in 1948).

Consum. Glass Sales Improve

MONTREAL (Staff)—After a seasonal lag last winter, sales of Consumers Glass Co. have picked up once more, E. J. Brunning, president and general manager, informs The Post.

Early this year, the company reduced its common dividend rate from $2 to $1.50 per annum, and payments since have been made regularly quarterly at the new rate. Increasing costs of material and labor, not fully compensated for by price increases, made dividend reduction necessary, company stated.

Sales also had dropped off, but it was thought that this was the first sign of a return to the prewar seasonal pattern, and that business would improve once more with the approach of the canning and fruit packing season. This expectation appears to have been borne out by the greater volume of sales since the winter.

"It looks as though we're back to the prewar pattern of a quiet winter and a rush in the summer time," Mr. Brunning stated.

In the fiscal year ended Aug. 31, 1948, company showed a net profit of $641,852, equal to $2.01 per share, compared with $2.03 in the preceding year.

Big Share For UK In '50 Trade Fair

British engineering firms are making a big bid for greatly increased sales to Canada.

Banding together in an association specifically for exhibition purposes, 500 of these manufacturers, from seven trade fair associations, have booked 35,000 sq. ft. or three-quarters of the available space in Toronto CNE Automotive Building to show Canadians their goods at the 1950 Trade Fair (May 29 - June 9).

This was announced by Fair Administrator Reg H. Dayton in Toronto this week on his return from a trip to Britain to sell the 1950 Fair. He reported also bookings from many other trade groups attracted to the Fair by "the excellent press the Fair was given in British trade publications."

All told, he said, 50% of the space occupied last year has now been booked, (in 16 trade classifications) with Britain far in the lead.

SANNORM MINES July 3 installment of 200,000 shares at 10c and each subsequent installment under agreement with Davenport Traders have been extended for two months.

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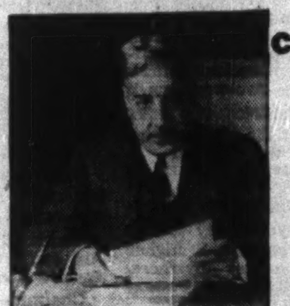

With the return to more competitive conditions, many corporations are faced with the problem of maintaining their position in their industry, by modernizing plants, widening markets, or developing and introducing new products. This may require increased working capital, because the ability of a corporation to complete a programme of expansion and yet maintain a strong liquid position rests primarily upon a foundation of a sound and adequate capital structure.

McLeod, Young, Weir & Company Limited has acted and is now acting as financial adviser and underwriter of securities for many well-known Canadian corporations in varied lines of business. The facilities of this organization and the experience gained over more than twenty-five years in the investment business are available to executives of corporations requiring additional capital to cope with their current requirements.

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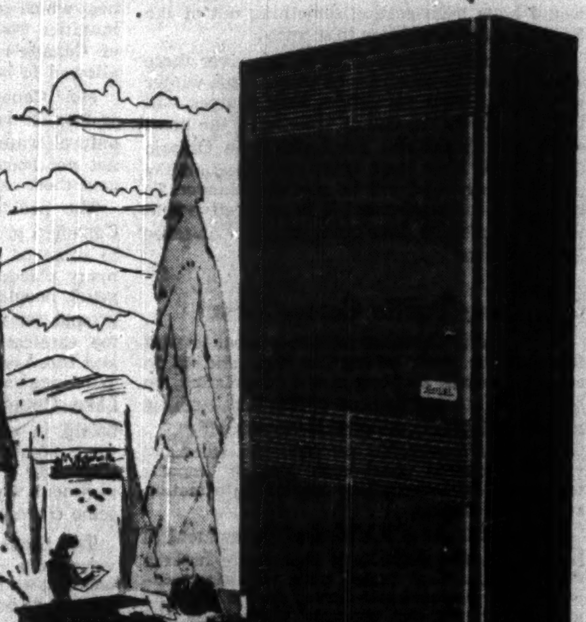

Efficiency lags when your staff simmers in the summer. With a Carrier Weathermaker however, you can have just the temperature you want . . . even during periods of excessive heat.

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We Must Sell U.S. More

In recent months public attention has been so focused on our trade problem with Great Britain that we have been inclined to forget that there are still serious difficulties to be solved in this matter with the United States. True, by a combination of restricting imports and boosting exports, we have reduced the alarming, unfavorable balance that had developed since the war.

But we would be foolish to conclude that our troubles are over. Not until we boost our exports to something much closer the import totals, can we afford to breathe easier. We are still very far from that goal as the following brief statistical picture shows:

	Exports to U.S.* 1949	Exports to U.S.* 1947	Excess of Imports Over Exports 1949	Excess of Imports Over Exports 1947
	(Millions of dollars)			
Jan.	116.0	79.5	47.3	55.8
Feb.	106.7	69.4	40.6	67.1
March	122.4	83.1	44.9	80.2
April	110.7	88.3	65.1	91.6
May	121.2	79.8	49.1	102.7

*Excluding gold.

In recent issues of The Financial Post reports from Ottawa indicate that we haven't been able to go very far in shaving our imports from the United States or at least in such restrictions as have been imposed. In any case, that is a negative approach. In the long run it could aggravate instead of solving our problem.

By restricting imports we run grave risk of retaliation. No matter how we may explain our plight, no matter how sympathetic officials at Washington may be, there is almost sure to be trouble. Certainly it would be hard to convince the average American that he should open his market to more Canadian goods, when we are doing exactly the opposite with his.

That is one angle. There is another and equally important one.

Experience during and since the war, and particularly following the introduction of our restriction program in November 1947, has proven that we must have certain key materials and equipment from the United States if we are to produce abundantly and cheaply. There are many things available in that market which we simply cannot obtain elsewhere or at anything like the same cost or as suitable. Our consumers, too, because of a similarity in taste and style of living, show a marked preference for many American goods and services and it would be difficult indeed for any democratic government in normal times to disregard that sentiment. All this boils down to the simple fact that the best way of balancing our U. S. trade is not to cut imports down but to build exports up. That should be our long term policy.

Not only is this good business for us, it is also good business for Uncle Sam because a strong prosperous Canada constitutes the best possible northern defense for the United States.

Trading experience of the last twelve months indicates the path that should be followed. The lowering of American tariffs under the Geneva Agreements, plus the removal of Canadian embargoes on cattle and other products, has substantially stimulated the flow of our exports south. In dollar value these have been running 40%-50% above the rate of two years ago. But it is now generally conceded that this is about as far as we can go under present circumstances.

Prior to the tariff cuts just before and since the war the great bulk of our exports to the United States were of more or less raw materials, grain, rough lumber, minerals, pulp and newsprint. The latest tariff cuts allowed a new class of goods to come in, more finished products of our farms, forests and mines, but still not so very far removed from the natural state. Highly processed or manufactured lines, however, like fine paper and base metal products are still largely barred. Because of abundance of raw materials and power we could turn out these more cheaply than the Americans.

Before this new export can be developed, which is the type, incidentally, that will produce maximum employment for Canadians, there will have to be further lowering of U. S. tariff barriers, further reform of American customs application. Embargoes, quarantine, quotas, and plain red tape, that now act as effective barriers against Canadian goods will have to go or at least be modified, as well as the system of specific duties which only permits any real flow of goods when prices are abnormally high.

It is on this job that Canadian and American trade negotiators should now be working. Action here does not have to wait on the solving of our trade problems with Europe.

Must We Wait For Seaway?

Recent developments in the United States Senate seem to have blasted what little hopes there were for an early start on the St. Lawrence Seaway. Even the most ardent supporters of that project are pessimistic now of favorable action at Washington. That being the case we might as well face realities and get ahead with that part of the scheme to which there is no serious objection on either side of the line, namely the development of power.

The main trouble with the St. Lawrence plan has been the size and cost of the package. For some reason or other seaway and power have been lumped together. To one there has been very widespread objection, to the other none at all, and particularly so in recent years when supplies of available and developed electric power have begun to fall seriously short of demands.

This combining of power and seaway may have had sound engineering reasons behind it originally. Early sponsors were afraid that if power was developed first the dams would prevent any future opening to ocean traffic. But competent engineers today say that that argument no longer applies. In their opinion there is no reason why we cannot go ahead with the power and at the same time leave the way clear for the seaway later. Had we taken that advice when it was first offered we might still have been waiting for the seaway but at least we would have been getting something out of the St. Lawrence in addition to scenery.

Last winter on both sides of this river there were disastrous shortages of power. This winter we are risking a repetition. New sources will be available by the end of 1950 but if the present rate of industrial development in Ontario Quebec and New York State continues, all the power now in sight will be needed and more. To meet that future demand it is imperative that we get started on developing the St. Lawrence River at once.

The Public Comes First

When the stockbroker advises a client to wait for a better stock or another day, and in so advising waives or postpones a commission, he is putting into practice one of the most realistic ideals of all business—ethical responsibility.

So is a profession or industry when, at risk of possible short-term loss, it imparts to the public technical or market information suggesting caution.

Latest example of this kind of "investment in honesty" is the decision of real estate brokers to release findings tinged with realistic pessimism from a recent self-survey on the immediate outlook for the property market by the Canadian Association of Real Estate Boards.

To this move, The Financial Post understands, there was at first some dissent in realtor ranks, a minority arguing that findings of so frank an internal survey should be played close to the chest less their partly cautionary character reduce trading volume.

But ethical responsibility here ruled, as it rules in similar business councils almost every day.

This is one kind of common business thinking that gets too little notice.

They Better Be Good Now

A new test faces the 262 men who will converge on Ottawa in September as the representatives of the Canadian people. The members of the House of Commons, both new and old, will find installed an amplification system intended to ensure that their words are heard all over the chamber. On the face of it this seems a splendid idea. Speeches made in the House of Commons are presumably intended to be heard both by the other members and by the galleries, including particularly the press gallery; and the acoustics of the chamber are notoriously bad.

Everyone will be glad to be able to hear more easily the speakers who have something worthwhile to say. But how many of the 262 speakers does that include?

The majority of members, we fear, are going to find the new arrangements pretty tough. Surely, their audibility will shame them into silence or improvement when they plan their turgid and platitudinous orations, not intended for the House of Commons but for circulation in Hansard to the "folks back home."

It is not without reason or significance that the Hansard Society has collapsed. This was laudable scheme to improve citizenship and the conduct of public affairs by getting thousand of Canadians to read Hansard.

But to anybody who reads Hansard (as editors must), the Society was foredoomed. Nobody who isn't paid to do so would wade through the acres of intellectual desert and the bogs of ineptitude and irrelevance that is Hansard.

We would like to hope that the new loud-speaker scheme will improve debate, stop time-wasting twaddle, and send our elected representatives and money-spenders into some honest-to-goodness study of the problems with which they are supposed to deal intelligently.

But we have doubts. We actually fear the result will only be louder and funnier.

Stop Fouling Our Waters

The annual threat of poliomyelitis, combined with the outburst of some mysterious and tragic forms of dysentry, has stirred up a great many Canadians, and parents particularly, to the problem of water-pollution. It is a sad commentary on the happy-go-lucky carelessness which seems to be endemic in human communities that the plentiful water which is one of Canada's greatest assets should have been allowed to become one of our greatest dangers.

Most Canadian children learn young to swim, to manage boats and to make the most of their natural water playgrounds. Their fathers have not yet learned to take proper precautions to save those same waters from pollution.

The problem extends through most of the Canadian provinces. Lake Ontario, nature's gift to some of Canada's largest cities, in a great many places is not fit to swim in, because for years people have regarded it as a dumping ground for all the sewage and filth they were too careless to dispose of properly. The Red and the Assiniboine Rivers, which should be to Winnipeg and other Manitoba communities what Lake Ontario should be to Toronto, contain bacilli in quantities which make the river at some points "hazardous" — and that by the standards of the Manitoba Public Health Department which are more lenient than those of some corresponding United States bodies.

The proper solution for these problems will vary from place to place. Toronto is already tackling its problem with the erection of a new sewage disposal unit. But there will be no complete cure until the public insists that lakes and rivers are not provided by nature as receptacles for all the sewage and filth that civilization manages to accumulate.

Our modern civilization has discovered all kinds of new ways of producing poisonous and noisome substances. It has also discovered ways of getting rid of them. We must use the second as well as the first.

Pay in Silver Dollars

A group of Oakville (Ontario) companies have hit upon a novel plan of impressing the merchants of the community with the importance of industrial payrolls and the interdependence of local industry and retail business. As a result, according to the Oakville Record-Star, it is hoped to enlist the interest of merchants and citizens in the drive for a new water supply to provide more adequate industrial fire protection.

Last week employees were paid in the new silver dollars which commemorate the entry of Newfoundland into Confederation. The employees in their turn agreed to use the big silver pieces just as they would ordinary folding money. They will pass them along to their butchers, grocers and bakers for their weekly supplies.

Until collectors gather up the new coins the Oakville community will certainly have a real demonstration in the importance of local payrolls and the rapid circulation of money.

Holiday Scratch Pad

GETTING INTO a Latin American revolution and earthquake wasn't what George Crum of Toronto expected when he set off for Guatemala to coach that country's opera company.

At 22, George F. Crum Jr. is rising in the world of opera. He is assistant conductor of the Royal Conservatory Opera School and assistant director of the CBC's opera of the air.

This summer the operas in Cuba and Guatemala were after him. The Cubans wanted him for assistant conductor but the Guatemalans were faster in producing a contract, so he signed there as repetiteur.

After concerts in Guatemala, the show goes on tour through various republics including, so it was planned, Ecuador, now stricken by earthquake.

It was only six years ago that young George came home from school one day and announced to father George of Crown Life that he had decided upon a career. It was concert organist.

Piano training being a preliminary necessity, Crum tackled that job with Mona Bates — and with fervor.

His special talents were quickly recognized. The school at Toronto gave him special training and opportunity, and all the signs point to George being another important Canadian contribution to the music world.

Another Canadian, Reginald Stewart, is on concert tour in the same part of the world. He was caught in the Guatemala revolution. He says: "It was a terrifying 36 hours of bombardment with our hotel between two military objectives."

* * *

ELECTRIC SHOP WINDOW SIGN: "Free air supplied with every fan you buy here."

* * *

LIMERICKS are of several kinds. The kind we are thinking about are written by clergymen. They've been on display in recent issues of the Recorder, and the winner is still the one who started it all. He is the Bishop of London (Eng.) the Rt Rev. C. S. Wand, who was moved to verse by his brother bishop from Chicago. The Bishop of Chicago, it seems, said something in a speech about "saying it with flowers," whereupon his brother of London penned these lines:

"Chicago, his lady love sought;
'See, Sugar, a bouquet I've brought,
The flowers aren't so swell,
And they smell just like hell,
But I sure had a very nice thought.'"

That's the way the Bishop wrote it.

* * *

CITY PEOPLE who have got a lot of fun and exercise out of reforesting an old rundown farm, rather smugly regard themselves as public benefactors. They read about the perils of erosion, drought, floods and famines, then pat themselves on the back and boast about their callouses and the number of trees they have planted.

But they don't get away with much boasting among their honest-to-goodness farm neighbors. Some of these people are a bit critical about this back-to-the-land movement. Their labor, hired and home grown, is not made any more contented by the sight of these newcomers taking their ease on week ends while they slave in the hot fields and hotter barns. And there are two angles to this reforestation business, too.

We were talking to one of these hard-boiled countrymen last week. He belonged to that fast vanishing school which glories in long hours of hard work and the more primitive, the better. He didn't like to see land going back into trees, no matter how unsuited it was to agriculture. If he had his way it would all be plowed with furrows running straight down hill to let the water run off quickly. But his main objection was to the wild life these newly wooded farm lands sheltered. "Since all these city people moved out here," he said, "the country has become overrun with foxes and you people from town are too lazy or too softhearted to shoot them and we haven't the time."

* * *

HALIFAX JUNIOR BOARD OF TRADE, co-operating merchants and banks are putting important drops in the bucket of Canada's U. S. dollars by offering our shiny "souvenir" silver coin at par for American tourist paper dollars. At the two-week mark there had been hundreds of takers and predictions that the Halifax idea might swing across the country.

Another acquaintance of ours is turning the silver dollars to personal profit—or so he hopes. He figures that within 10 years they will be worth $1.25. That, he says, is higher interest than he can get anywhere else. He's buying them and putting them away in a safety deposit box.

(While Napier Moore, regular writer of Scratch Pad, is on holiday, authorship is by the editorial staff of The Post.)

Stop Me If—

He: Honey, I've bought something for the one I love best. Guess what?
She: A box of cigars.

* * *

Farmer Haye: "That Jones boy who used to work for you wants me to give him a job. Is he steady?"

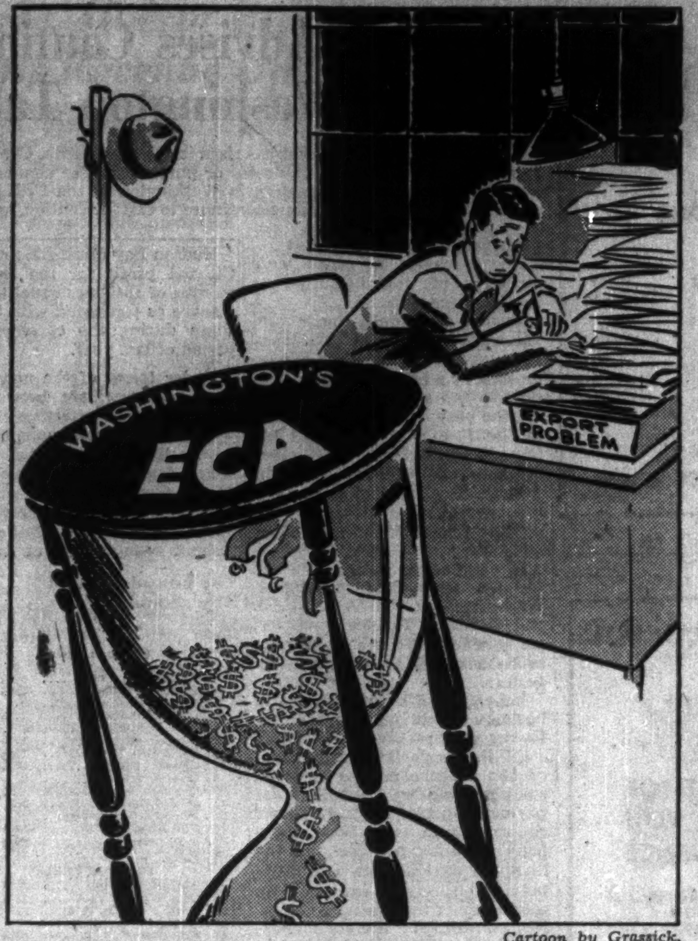
Farmer Seede: "Well if he was any steadier he'd be motionless."

* * *

The current dictator of one of Russia's satellites is said to have discovered one morning that his favorite pipe was missing. Being a heavy smoker, he was greatly discommoded by its loss and reported to the local chief of police that "someone has stolen my pipe."

When he returned home to lunch that day, his wife handed him his pipe. She explained that she had found it in a pocket of his pyjamas. He immediately telephoned the chief to call off the search.

"But it's impossible," the chief expostulated. "You can't have found your pipe. I've already arrested five people and each of them has confessed."



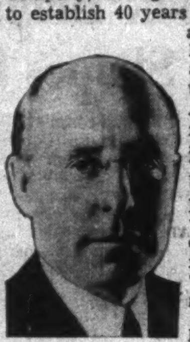
Cartoon by Grassick.

THINK FAST, IT'S RUNNING OUT

Post Scripts

Busy Career

This week Irving Putnam Rexford was elected president of Crown Trust Company, an organization he helped to establish 40 years ago in Montreal and with which he has served as a senior executive ever since. As a matter of fact Col. Rexford started off as "The Manager" but as the company grew this was later changed to the more formal title of "General Manager," which position he will still hold.



MR. REXFORD

Although he commenced near the top with Crown Trust, Rexford had accumulated very considerable business experience before that. Like many another Montreal business executive he started as a clerk with the old Grand Trunk. This was in 1904 and Rexford was just 20. A couple of years later he joined the Liverpool & London & Globe Insurance Co., then the Royal Insurance Co. Prior to joining Crown Trust he was transfer officer and assistant to the vice-president of Montreal Trust Co.

While climbing the business ladder young Rexford was also establishing a military career. He joined the Victoria Rifles as a private in 1904. Promotion was rapid. A year later he was a lieutenant and at the outbreak of the first Great War he was a major in the Grenadier Guards. In 1915, as second in command, he helped raise the 87th Battalion, was promoted to lieut-colonel and took this unit overseas and served in Belgium and France.

Col. Rexford has always been keenly interested in community duties. He has served as alderman and finance commissioner of the city of Westmount and was a member of a special commission that designed a new form of government for Montreal. He has been very active in welfare work, was national chairman of the Community Chests and Council Division for five years to 1948.

In between his business, military and welfare interests Col. Rexford admits four types of recreation, golf, motoring, traveling and photography.

He also spent a period in liaison duties with the United States forces. He was discharged in May, 1945 with the rank of lieutenant-colonel. War service forced him to resign from the Board of Governors of the University of Manitoba on which he served part of one term. He is a member of the Board of Governors of Ridley College, and one of the Board of Trustees of the Manitoba Hospital Association.

Civil Service Chief

After years of rumblings from its employees about job classifications and wage schedules, the Manitoba government has a new Civil Service Act and a comparatively new Civil Service Commission to administer it.

Chairman is Gurney Evans, one of Winnipeg's younger businessmen.

By family tradition and connection Evans has had a chance to learn a lot about the wheels of public affairs in Manitoba. His father, W. Sanford Evans, was a former mayor of Winnipeg, for many years a member of the Manitoba Legislature and for a time provincial Conservative leader. In the business world he founded, and until his recent death headed, the Sanford Evans Statistical Service.

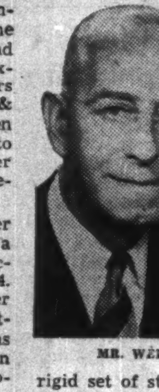
Gurney Evans, now in his forties, is Winnipeg born. He attended Ashbury College, Ottawa, and Ridley College, St. Catharines, and graduated from the University of Manitoba in 1928. At university he was senior stick of the Arts faculty in one of his undergraduate years and also represented it in interprovincial and international debates. On graduation he entered his father's firm which he now heads.

Early in the last war Evans enlisted with the Royal Winnipeg Rifles. Transferred to the Ordnance Corps, he was appointed Assistant Director of Ordnance Services at National Defense Headquarters in Ottawa in charge of logistics. In this capacity he served in Canada and overseas.

International Head

Union Gas Co. of Canada's Thomas Weir is a tall, spare Scot with that national characteristic of always knowing a good deal more about a subject than he cares to make out. But top gas authorities have recognized Weir's stature in the industry by appointing him new Canadian director of the continent-wide American Gas Association.

The AGA is a research, policy-making organization for the continent's gas industry. Most of the big gas utility companies in Canada and United States are members. Weir becomes the only Canadian director of the 32-member board.



MR. WEIR

The Association draws up the industry's advertising and promotion program directed toward increased use of gas as a fuel; it sets the rigid set of standards, determined in its own laboratories, to which gas manufacturers and gas appliance makers are to adhere to remain members of the Association. Weir brings a thorough understanding of Canadian gas problems to the board. His knowledge of problems connected with international movements of natural gas—in which his company is particularly interested at the moment—should be of inestimable value to the Association.

Weir has been connected with Union Gas for 11 years now and has been a director since 1943 and latterly holds the heavy duties of general manager. He brought a thorough banking and accountancy training to the company. He came to Canada in 1910 after serving for four years with the National Bank of Scotland in his native land. On arrival here, he joined the Dominion Bank. Early in 1914 he entered the public accounting and auditing profession with Clarkson, Gordon & Dilworth in Toronto and in 1924 qualified as a chartered accountant. He continued on in the accounting firm until 1937 with the exception of four years' war service with the Canadian Army in World War I. He joined Union Gas Co. in 1937 as comptroller, secretary and treasurer and with one two-year break from 1940 to 1942 on special service with the Canadian Army has been with the company ever since.

A lion's share of the work connected with the new gas rates awarded the company last year fell on Tom's shoulders. He directed most of the efforts in Washington connected with the initial gas contract whereby his company would secure some 5.5 billion cu. ft. of natural gas annually from the Panhandle Eastern Pipeline Co. of Kansas, and has been a frequent Washington visitor of late pushing for removal of U. S. gas export restrictions.

Weir is president of Windsor Cas Co., a subsidiary of Union Gas Co. and a director of United Fuel Investments Ltd. of Hamilton and its subsidiary companies.

When he is able to squeeze in some spare time Weir hikes it to the golf course where he consistently defeats his gas colleagues. He shoots in the high 80's or low 90's and plays the game with all the customary seriousness of a true Scot.

What Others Are Saying

Editorial of the Week

Make It Straight

Windsor Star

Reports from Ottawa say the Federal Government will introduce legislation in Parliament to enable it to bear half the cost of a Trans-Canada Highway system. The provinces are to foot the rest of the bill to complete a modern roadway from Halifax to Vancouver.

Now that it is to be built, let it be a good one, wide, straight, with good grades and well-paved. It is to be used by succeeding generations as well as our own.

There will be much pressure from certain cities in Northern Ontario and the West that the Trans-Canada Highway run through them. Such pressure groups should be ignored. The shortest, most suitable route should be chosen. It shouldn't have to wander all around just to please certain communities. Provincial feeder lines can connect cities and towns with it. This is a trans-Canada route to serve the entire country, not a local road to meet local needs.

Other People's Views

ENGINEERS can't prevent all traffic accidents, points out the **Edmonton Journal.** "Traffic safety depends chiefly on eternal vigilance on the part of all drivers. It seems necessary to keep reminding them, and reminding them, and never stop reminding them."

LUMBER COSTS must come down, warns the **Vancouver News-Herald.** "Chief barrier to sales of lumber products at home and abroad is the high cost of production. More people could afford to build houses if building materials were not so prohibitive in price. In the long run, the customer rules the market. Lumber producers during their recent lush decade, seem to have forgotten that fact. Apparently, they are about to be taught it anew."

OPPOSITION will have to work harder in the new Parliament says the **Winnipeg Tribune.** "The steam-roller majority that now exists in the House of Commons is an unhealthy situation, as is admitted even by thoughtful Liberals. It means that the Opposition will have to work and watch more intently than ever. Moreover, it means that government supporters should regard their strength as a challenge and responsibility rather than as a holiday pass."

TAKE YOUR TIME and arrive safely, urges the **Moose Jaw Times-Herald.** "If you drive a constant forty-five miles an hour when on your motoring holiday it will probably take you forty minutes longer for each hundred miles, than if you drove at sixty-five miles an hour. But the chances of you being killed or seriously injured are one in sixteen, whereas if you drove at sixty-five miles an hour the chances are increased to one in six."

MORE ACCIDENTS with motor-boat explosions prompts this bit of advice from the **Brockville Recorder and Times:** "Anyone who has had much to do with the river knows the necessity of being always over-careful in regard to gasoline and gasoline fumes when aboard any type of gasoline-powered vessel. Even experienced sailors are inclined to become careless at times and forget the power which can be unleashed by giving high-test gasoline too casual a treatment. Tremendous pressures are latent in these fumes and need only one spark to change them into a death-dealing agent."

WHERE'S THE RECESSION, asks the **Ottawa Citizen?** "Whereas the United States has experienced unemployment sufficiently serious to warrant relief projects in some regions, Canadian employment remains at a record level. Now the economic outlook in the United States is brighter. The experience of recent months suggests that the Canadian economy is not as vulnerable to changes in the United States and abroad, as Canadians have thought in the past. It is too soon to claim that a major change in this respect has occurred, but there is reason to hope for continued high-level economic activity in Canada."

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Aug. 20, 1949

CONSTRUCTION TRENDS By CLIVE CHATTOE

What? Nothing Down? The Rent Buys? Canadians May Get Housing New Deal

Will house-hungry families with little cash almost suddenly find themselves able to buy tidy little $7,000 to $8,000 houses on a new official rent-plus plan and **without a down payment?**

When and if Canada's public program of "rental" housebuilding is switched from Dominion to provincial-municipal management, with Ottawa and the provinces paying the whole subsidy shot, will it become largely or extensively a building-for-ownership operation under a lease-purchase option plan?

Speculation in Ottawa, construction circles and provincial capitals is that some such far-reaching scheme may be among Dominion-Provincial housing policy proposals to be put before the Federal Cabinet by Reconstruction Minister Winters days hence.

Idea is growing that this may be one of the "areas of agreement" reached last week by Mr. Winters and Ontario Premier Frost, and believed currently being scouted by the federal reconstruction minister in the other provincial capitals.

Official word so far is simply that such a scheme has been discussed.

Discussed in Toronto also were (a) possible assumption by Ottawa of Ontario's government 2nd mortgage scheme and its extension under the National Housing Act; (b) relief of municipalities from housing subsidy costs; and (c) transfer to willing provincial governments (from Ottawa's Central Mortgage & Housing Corp.) of responsibility for supervision and administration of subsidized housebuilding projects.

In indicating readiness to work with Ottawa and administer possible Dominion-Provincial subsidies so as to free municipalities from unrecoverable housing expense, Ontario is understood to have proposed.

1. Sewer, watermain and street construction costs shared 50-50 by Ottawa and Queen's Park, neither subsidy to be charged to the property and neither charged to amortized costs.

2. Federal aid for payment of land, by way of subsidy, and this too not to be charged to rentals or amortized costs;

• • •

Contracts Are Up Again After 2nd Quarter Slip

July construction contracts show highest value ever recorded for that month, at over $129 millions, up 44% from the 1948 month. This brings the seven months' total above $618 millions, up 8% from the 1948 period, according to MacLean Building Reports division of Hugh C. MacLean Publications.

The July increase reverses sharp decline in value of second quarter construction contracts as against a year ago (The Financial Post, June 25 and July 2). All classifications showed gains for the month over a year ago, with engineering awards about double, housing up more than one third.

Despite weight of July engineering awards, the total for seven months in that category, at just above $119 millions, is 20% off from the 1948 period.

Here's the whole contract picture for Canada by periods and classifications:

CONSTRUCTION CONTRACTS AWARDED, CANADA
(Source: MacLean Building Reports division of Hugh C. MacLean Publications Ltd.)
(Millions of Dollars)
"Critical"

	1st Qtr. 1949	1st Qtr. % Change from '48	2nd Qtr. 1949	2nd Qtr. % Change from '48	July 1949	July % Change from '48	7 Mos. 1949	7 Mos. % Change from '48
All categories ..	203.6	+58	285.1	−19	129.3	+44	618.0	+8
Housing	69.4	+37	131.4	+4	52.2	+36	253.1	+12
Comm'l & Inst'l	53.1	+14	86.4	−7	32.7	+19	172.2	+3
Factories	52.6	+374	16.2	−37	4.4	+10	73.2	+79
Engineering	28.5	+41	51.6	−54	40.0	+99	119.5	−20

The increase in engineering awards is accounted for mainly by (a) $10 million contract for first stages of Toronto's rapid transit tube system; (b) $10 million contract for railway and wharf, Havre St. Pierre, for Quebec Iron & Titanium Corp. (awarded last fall but only now included in the compilation); and (c) $2.4 million Dept. of Transport tunnel under Lachine canal in Montreal.

Other large contracts included: Building for St. Mary's College, Halifax, $1,500,000; Dalhousie University Arts and Administration Building, Halifax, $1,500,000; high school and cottages for Mount Royal, Que., Protestant School Board, in excess of $1,500,000; Province of Quebec roadwork, $1,186,000; residential program, Camp Borden, Ont., $1,485,000; provincial government office buildings, Victoria, $1,028,905; Federal Public Works Building, Victoria, $2,062,000.

• • •

Housing Production Up 32% Over Last Year

That the long rise in housing construction costs may have been reversed is suggested by comparing MacLean Building Reports figures on contract value totals, with the DBS running count of new houses and apartments completed.

Housing units completed in the first five months, put at 32,451, are up 32% over the 1948 period. Housing contract value total for seven months, at $253 millions, is up only 12%. To some observers that seems to mean we're building a lot more houses this year for only a little more money or, in other words, the individual house or apartment for less than last summer.

Whether this comparison establishes the point or not, there are many signs of tightening in builders' overhead and profit, with materials in better supply and with workmen placing the materials faster. Some builders report their men are in a mood to insure against possible "rainy days" such as recently experienced by builders across the border.

Continuing rise of housebuilding activity appears signalled by new starts. Construction was begun on over 12,800 units in May, up 12% from the 1948 month. Starts in five months to end of May, at 29,671, are up 12.5% from the 1949 period. Under construction at the end of May—on top of the 32,451 completed in the year till then— were 53,533, according to the DBS survey.

That appears to mean Canada this year will complete a record 93,000 to 100,000 housing units.

• • •

Vancouver May Slash Works Plan One Third

Vancouver city countil faces necessity of lopping at least $5 millions from its $15 million 1950 civic improvement capital program. Some frills and "postponables" will suffer when the pruning knife descends. A proposed new police station, start on a new Granville Street bridge, $1¼ million civic auditorium and $300,000 baseball park may have to wait.

Total borrowing power is about $13 millions. But this year the city had trouble marketing $8 million of the bonds provided in its $50 million 10-year development plan and council now figures $10 millions at most as a 1950 public works maximum to cover mainly paving, water and sewer works.

Alderman George Miller, long Vancouver's official financial watchdog, has been urging restraint just in case there's a recession and Ottawa demands local contribution to match any moneys it might put up for such an emergency.

B. J. WATERS

has been elected president of Mersey Paper Co., Liverpool.

Drop in Output In Canada Cuts Aluminium Sale

MONTREAL (Staff)—First half sales of Aluminium Ltd. and its subsidiaries totaled $100,052,683, only slightly below the $100,691,173 sales in the first six months of 1948, despite a drop in output of the company's Canadian subsidiary, Aluminum Co. of Canada.

Net profit was lower by just under 2%, amounting to $12,908,301 compared with $13,153,071 in the first half of 1948 (in each case after providing for dividends on preferred shares of subsidiaries and for minority interest). Earnings per share were $3.47 ($3.54).

Income from investments and interest receipts was up slightly, company reports. Income taxes increased to $10,355,564 from $9,816,242. Dividends for the half year totaled $3,722,050 or $1 per share (90c in 1948 period).

Reduced production of primary aluminum by Aluminum Co. of Canada was due to drought conditions and shortages of water for generating hydro-electric power, it is stated. Output for the six months was 157,600 metric tons (165,900) but production in the second quarter was 40% greater than in first three months.

CANADA FOILS, LTD. application for listing outstanding 100,000 class A and 100,000 common shares on the Toronto Stock Exchange has been granted and shares commenced trading Aug. 15.

FLASH FASTENERS OF CANADA, LTD. application to list outstanding 17,200 preference and 50,000 common shares on the Toronto Stock Exchange have been granted and stocks commenced trading Aug. 15.

Three Alberta Utilities Show Gross Revenue Up 16% in Half

Consolidated net income of International Utilities Corp. and its subsidiaries amounted to $1,453,206, or $1.85 a common share for the 12 months ended June 30, 1949, as compared with $1,361,762, or $1.73 a share for the preceding 12 months period, Chairman of the Board Howard Butcher III, informed shareholders. (Income was equal to $1.69 a share in calendar year 1948).

Gross operating revenue for the 12 months to June 30, 1949, was $9,285,141, up 15.9% from $8,014,145 for previous 12 months. Of this $4,598,724 (up 13.6% from $4,048,246) was derived from the Calgary company (Canadian Western Natural Gas Co.); $3,229,129 (up 17.6% from $2,745,011) from the Edmonton company (Northwestern Utilities Ltd.); and $1,457,288 (up 19.4% from $1,220,888) from the electric company (Canadian Utilities Ltd.).

Net income of subsidiaries applicable to the corporation, was $1,755,800 ($1,472,418). All three companies continued to add new customers, with the Calgary company having 37,613 at June 30, 1949 (35,062) the Edmonton company 32,121 (28,026) and the electric company 17,043 (14,963).

In an interim decision on a rate increase application, the Board of Public Utility Commissioners of Alberta determined that Calgary company should be allowed a return of 7½% on its net depreciated mid-year rate base. Tentative rate schedules, effective July 1, 1949, will mean an average increase in revenue of 2.72c per m.c.f. of gas sold. Final rate schedules will be established after a further hearing Sept. 12.

In effect the increase in rates was made retroactive to Sept. 15, 1948, as the company was permitted to add to its rate base the sum of $372,920 to be amortized over the next 5½ years to recover the deficiency in revenue for the transitional period from that date to July 1, 1949, Mr. Butcher explained.

In April, 1949, the installment of $300,000 in corporation's bank loan due Dec. 31, 1949, was prepaid and in June $210,000, derived largely from the sale of investments, was applied to the pro rata reduction of the last six installments of the loan. The loan has been reduced from $2,100,000 to $1,590,000 payable in six annual installments on Dec. 31, 1950-55. It is the intention of the company to dispose of additional securities as the market warrants to further reduce the loan, Mr. Butcher states.

International Utilities is considering an offer of a one-half interest in a syndicate which proposes to build, if economically feasible, a gathering system and transmission line to transport gas from Alberta to Winnipeg.

Common stock was listed on the New York Stock Exchange on July 5, 1949. There are now over 5,200 shareholders and more than 30% of the stock is held in Canada.

Montreal Trust Co. is now transfer agent and Crown Trust Co., registrar for the company's stock in Montreal and Calgary.

MAILMAN CORP. transfer agent has cancelled 218 preferred shares which have been redeemed. There are now 16,675 preferred shares issued and outstanding.

Expropriation? City of Edmonton Seeks Hotel Land

From Our Own Correspondent

EDMONTON —C.N.R. and the city of Edmonton have agreed on $100,000 price for two lots required for the proposed $4.5 million extension to the Macdonald Hotel.

Still to be announced is date of construction start.

Negotiation continues for privately owned lots which the extension will cover. One owner is asking $60,000 for a half-a-lot, which Mayor Ainlay has termed "away out of line." The mayor said expropriation proceedings, permitted under a change in city's charter at the last legislature session may be necessary.

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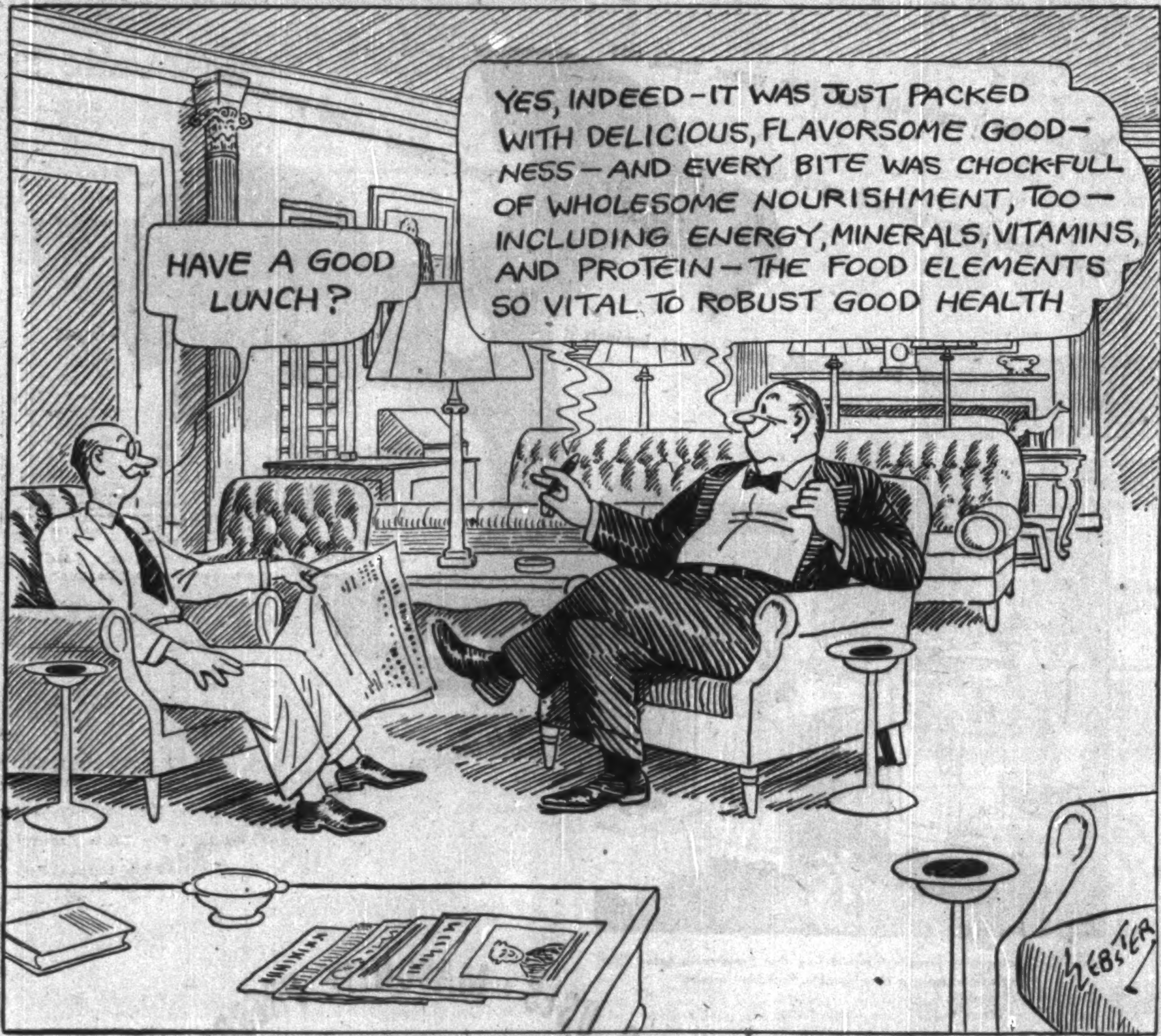

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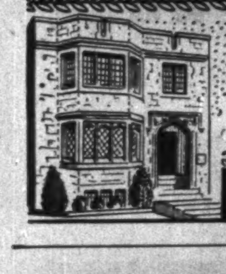
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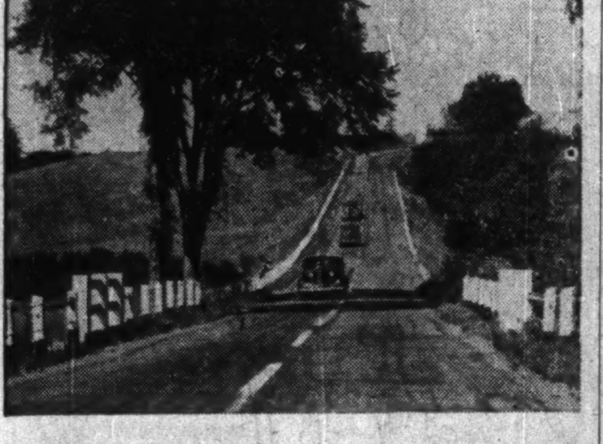

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LET'S MAKE THEM WANT TO COME BACK!

LABOR ROUNDUP BY RONALD WILLIAMS

Trend Toward 5-Day Week Led by Clothing Trades

Like lunch pails, the 48-hour, six-day work week is fast disappearing.

A survey of 4,339 firms employing 576,477 persons by the Federal Labor Department shows:

—Slightly more than half of all the workers in manufacturing are on a five-day week;

—55% work a 45-hour week or less.

—20% have a 40-hour or less week.

—Only 10% work more than 48 hours.

Most British Columbia workers are on the 40-hour week but elsewhere the number ranges from 2% in the Maritimes to 18% in Ontario.

The survey was made in 1947. Results were published recently in the Labor Gazette. It discloses that most provinces have fixed maximum hours although in some cases regulations only apply to women and boys. It is interesting to note that the survey shows most employers have established shorter work week than required by law. The following table shows provincial requirements:

Province:	Maximum Hours Normal	Emergency
New Brunswick	54(1)	
Quebec	55(1)	65
Ontario	48	
Manitoba	48(2)	54
Saskatchewan	44(3)	
Alberta	48	
British Columbia	44	

(1) Women and boys under 18.
(2) Women and boys under 17.
(3) Applies unless time and half paid beyond limit, but 48 hours maximum for women and boys under 18.

In the following table, Ontario heads the list in the percentage of workers and establishments on the five-day week.

Province:	% Workers	% Firms
Maritimes	2	4
Quebec	47	49
Ontario	61	57
Manitoba	41	44
Sask.	12	9
Alberta	20	17
B. C.	57	52
All Canada	51	47

By industries, clothing has the greatest percentage of employees on the five day week, while pulp and paper scored 100% for the six-day week. The following table gives the industrial score:

Industry:	% on 5-days
Primary textiles	64
Clothing	89
Rubber	50
Pulp and paper	0
Paper boxes	69
Printing & publishing	85
Lumber	49
Edible plant products	27
Fur	85
Leather	66
Meat packing	11
Iron and steel	62
Tobacco	82
Breweries	78
Hydro	6
Electrical products	84
Chemicals	77
All manufacturing	49

• • •

Union Asks Raise, Firms Propose Cut

Thirty-nine of British Columbia's lumber operators are either shut down or partially closed; payrolls are 4,000 smaller than last year.

That was the gloomy news given last week in Vancouver to a Board of Conciliation weighing union demands for 15c an hour raise. Operators blamed the downtrend on the collapse of United Kingdom markets and countered union demands with a proposal to cut wages 13c an hour.

At the same time, interior lumber operators made it known they would suggest a slash of 20½c an hour, putting base rates back to 1946 levels of 77c. They employ about 2,000 while coastal operators hire about 32,000.

"Inability of the U.K. to purchase B.C. lumber is, beyond question, the most serious injury sustained by the Coast forest products industries since the enactment of the Smoot-Hawley tariff in 1930 which virtually eliminated many of our mills from the U. S. market," said the operators' brief to the Conciliation Board.

• • •

DP's Finally Get Freedom

By the end of this year, 25,000 Displaced Persons brought to Canada in the last year and a half will be free to seek work wherever they please. Already several thousand have received certificates of potential citizenship in the form of notices that they have fulfilled their contracts to work a year wherever placed by the government.

A large percentage of those who have already completed their contracts have stayed on the original job, particularly in the mines, and on farms. Several have even inquired about buying farms. About 3,000 were brought out to work on farms.

However, what they do or where they go is no concern of the government when their contract is fulfilled. To most this freedom will be a revelation after years of forced labor in Europe's police states.

• • •

ILW Signs Without Raise

Another industry has negotiated a no-raise contract. In Montreal, the Employers' Association of the Embroidery Industry, renewed its contract with the AFL Ladies' Garment Workers for a three-year period. Union gains include two additional paid statutory holidays (now four) and two week's holiday with pay (instead of one).

• • •

Labor Briefs

Winnipeg Electric Co. employees have "conditionally" accepted a Conciliation Board recommendation of 5c an hour increase and a contributory pension plan. Union acceptance hinged on company acceptance of the report "without qualifications." If there is any hitch, the union said it would go back to its original demand of 15c.

• • •

A four-market conference of all unions in the Canadian ladies' garment industry is scheduled for Winnipeg, Sept. 11-12. Union men will attend from Montreal, Toronto, Vancouver and the fast-growing Winnipeg industry.

• • •

Beer parlor waiters in Manitoba are to get a $2 week boost in pay under a new agreement negotiated with 54 licensed hotels in Winnipeg. It's retroactive to May 1. Result of five months' negotiation between hotels and union, new contract prescribes $41.25 a week for tapmen, $38.25 for waiters.

• • •

It cost a Vancouver broom manufacturer eight cents an hour wage increase because company refused to show its books to a conciliation board.

Union representative on the board Herbert Gargrave, ex-CCF-MLA, joined with the chairman, George E. Street, in reporting:

"The majority of the board still feel any material increase in wages can be avoided at this time if the company will justify its position by placing all the facts regarding its financial situation before the union representatives and such course is still strongly recommended.

"In view of the fact the company has very definitely refused the union's representative (Gargrave) the right to examine its balance sheet, the majority recommends an increase in wages of eight cents an hour."

Observers say the award makes any private company's financial position no longer private in B. C., and that it may set the precedent of automatic wage-boosts against any firm which insists on the right to privacy.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted

NEON PRODUCTS OF WESTERN CANADA LTD., Vancouver, B.C., net profit of $187,424 for the year ended April 30, 1949, was 27.6% higher than the previous year's net of $146,898. Gross revenue from sales and rents was up 17.3%.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1949	1948
Sales & rents	$1,801,438	$1,536,127
Net earnings	879,535	685,773
Less: Signs amort.	515,844	393,780
Depreciation	66,267	45,894
Income tax	110,000	98,000
Other chgs.	......	1,201
Net profit	187,424	146,898
Less: Pref. divds.	7,543	8,530
Pfd. sink. fd.	13,743	12,797
Ordinary divds.	44,221	38,385
Surplus for year	121,917	87,216
Earnings per Share and Dividend Record:		
Preferred	$75.12	$64.27
Paid	3.00	3.00
Ordinary	3.01	2.27
Paid	0.80	0.70

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1949	1948
Cash & bonds	$1,120	$765
Accts. rec.	132,616	152,148
Inventories	364,495	286,327
Total curr. assets	498,231	439,240
Prepaid expenses†	40,011	22,636
Misc. assets▲	40,283	87,889
Signs on rental*	1,183,212	894,778
Fixed assets§	600,073	550,708
Franchises & leases	......	19,854
Total assets	2,361,810	2,015,105
Overdraft	1,034	4,556
Demand loan	710,000	585,000
Accts. & tax. pay.	236,001	258,983
Total curr. liab.	947,035	848,539
Misc. liabs.	239,229	178,351
Reserves	295,415	270,304
Capital stock	214,780	225,380
Capital surplus	26,204	12,760
Earned surplus	639,147	470,771
§After depr. of	299,169	251,661
▲Incl. ref. EPT	16,752	44,323

†Included in curr. assets in co's report.
*Less amortization.

Working capital	‡448,804	‡409,299

‡Excess of curr. liabs. over curr. assets.

JACKNIFE GOLD MINES additional 1,700,000 shares have been listed on the Toronto Stock Exchange, bringing total listing to five million shares.

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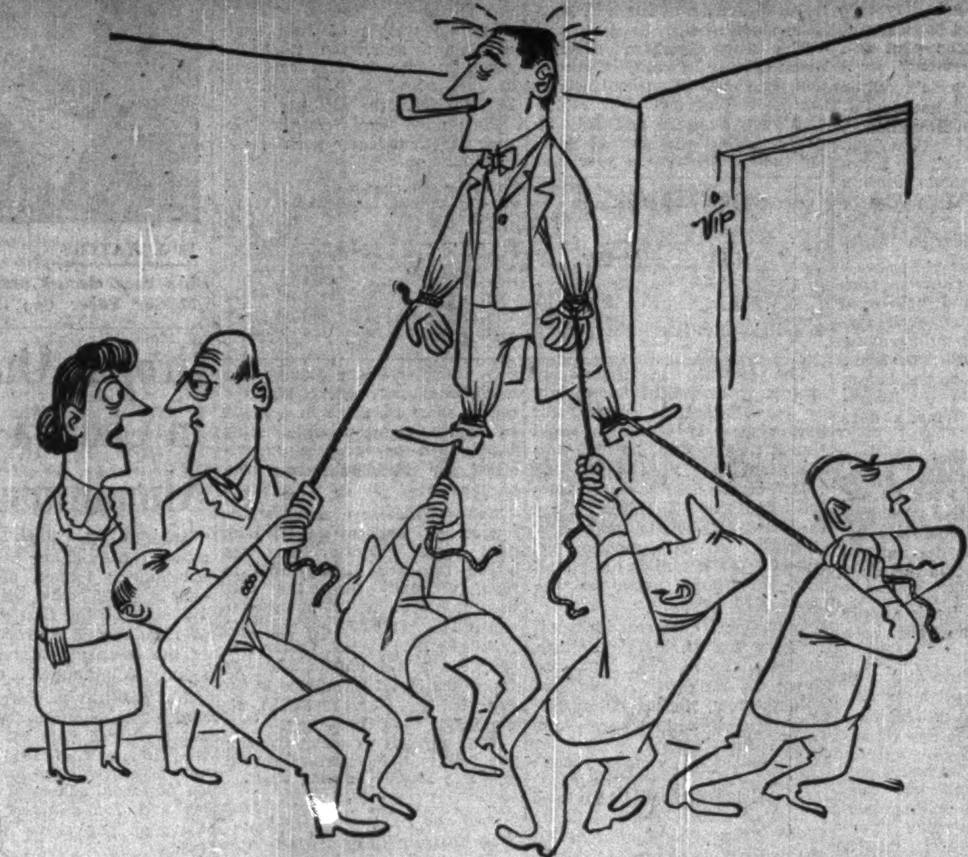

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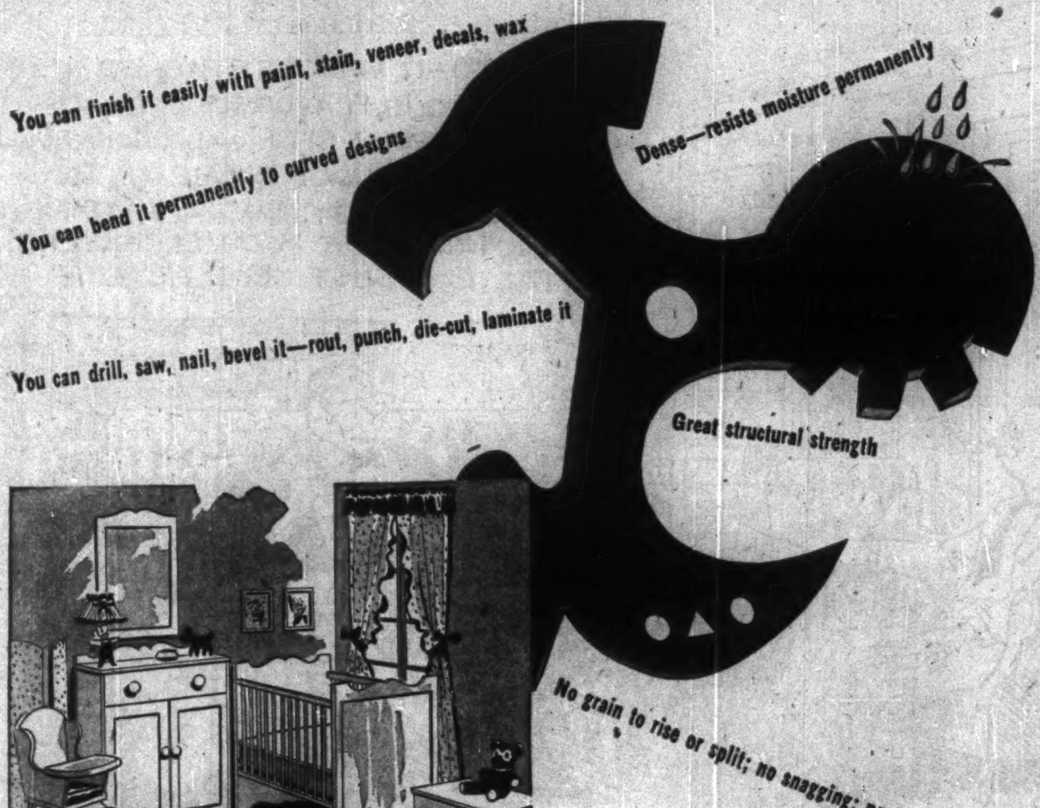

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Should We Lean on U.S. for Defense?

The Question: It is reported U. S. Army will intervene if Canada attacked. How should this affect our defense policy and expenditures?

Canada should depend on no other nation in the organization of her defense system.

That's the unanimous opinion of informed Canadians answering The Financial Post question this week.

Aid from the United States, in the event of an attack, would be welcome, say most of them, but Canada should not wait until that time to make certain that every possible step has been taken, within the limits of a cost which would undoubtedly be high. Individual replies urge the need for standardization of Canadian and U. S. equipment and Canada's need for an interceptive air force and airborne troops.

COL. L. D. M. BAXTER, President, Osler, Hammond & Nanton Ltd., Winnipeg; also Dominion President, Canadian Legion.

It is a natural sequence of the close relationship between Canada and the United States that the latter should intervene if our country were attacked. Similarly, I believe we would automatically actively support the United States if that country were attacked on this continent. However, I do not consider that we should rely on a friendly neighbor for our protection and that therefore our defense policy must continue to be one that provides for the utmost that we can do within our means in the way of preparing to defend ourselves and also to meet our obligations under the Atlantic Pact.

• • •

LT.-COL., THE HON. J. M. DESSUREAULT, (Senator) President, J. M. Dessureault Inc., Quebec.

Canada had previous assurance that United States would intervene if attacked. Roosevelt made a similar statement at Ogdensburg, 1940, without subsequent implementation. But I think we should organize our own defense without full dependence on aid that might come from United States.

Canadian forces should have complete uniformity with United States for military organization, training and equipment to permit mutual integration of all arms and services. This would entail tremendous expenditures if attempted at one time, but our present equipment could be replaced gradually and plans initiated for Canadian manufacturers of same arms and ammunition. Mutual effort would have been more effective and economical had integration been effected prior to last war. Mutual integration would logically lead to realization of St. Lawrence Waterways project.

• • •

H. M. SPENCER LEWIN, Vice-president and general manager, Bowater's Newfoundland Pulp & Paper Mills Ltd., Corner Brook, Nfld.

Canada's defense policy and expenditures should in no way be affected. Canada's armed forces before 1939 were negligible in comparison with her size and status in the world and the very valuable ground gained during the war years should not now be lost.

The signatories of the Atlantic Charter cannot relax their efforts toward defense merely because the United States is the richest and most powerful of them. They have a moral obligation in that pledge of all for one in the event that one should be attacked. Canada is a great nation and should live up to her responsibilities.

• • •

CAPT. THE REV. ARTHUR MAHEUX, Quebec.

The most interesting aspect of the news that the U. S. would defend Canada in case this country were attacked is that Canada is not as big a nation as sometimes thought and said. We have practically all the attributes of great nations, even embassies, yet our defense remains a problem. Hence it is for us a major duty to organize our defense as completely as possible, for it is never good for a nation to depend on others in such matters. Of course that is costly but life is not a cheap affair.

• • •

R. S. MALONE, Winnipeg Free Press; Brigadier (retd), on Montgomery's staff in last war.

Report merely confirms situation that general public and also military leaders in both countries have pretty well accepted all along. Unquestionably this fact has conditioned all defense planning in this country for several years.

Formal declaration might possibly clear the way for further integration if so welcomed, but it is foolhardy, even criminal, for Canadians to regard this as an opportunity to cut back by one cent on our primary responsibilities for defense of our own country on the assumption that the United States would rescue us. This is particularly so when Washington is now facing an extra billion and half arms bill for military security abroad and Canada is spending far less proportionately on defense than any of our allies.

As United States must realize, we are not pulling our share of the load as it is. If further joint organization lessened our burden of responsibility for defense of Canada, which I doubt, rather than reduce our defense commitmentss, it is conceivable we should give thought to greater co-operation with other western powers for maintenance of peace beyond our own boundaries.

• • •

COL. C. C. I. MERRITT, V.C., and former M.P. for Vancouver Burrard.

The basic military principle "every commander is responsible for his own local protection at all times" applies to nations in peace as well as to sections in war. Canada should maintain armed forces capable by themselves of dealing with diversionary raids on northern outposts and of checking initially air attack. For such purposes interceptive fighters and a completely equipped airborne force in being are well within Canada's resources and should now be available. Certainty of U. S. assistance is vital and welcome but does not permit us to do less than this on our own behalf.

Co-operation, joint strategic planning and pooling our resources between western powers are the right and the duty of free nations today. No free nation has the right to rely for its freedom on other partners until she has provided this reasonable minimum of "own local protection" herself.

• • •

LT.-COL. SIDNEY C. OLAND, President, Oland & Sons Ltd., Halifax.

I am sure the United States would intervene if Canada were attacked but that is no reason why we should not protect ourselves. There should be no question of "Let George Do It." It is our job to be prepared as fully as possible. This, of course, can only be done by a close collaboration with the United States and Great Britain. This, I am sure, is being done.

Naturally, under such an arrangement each country would contribute to its best advantage. The amount of funds used by Canada should be more or less on a per capita basis having regard to the fact that we are a young country. Money expended in opening up our potential resources should be considered as a defense charge even though practically contributed by private enterprise.

• • •

MAJ. GEN. A. C. SPENCER, Consulting Engineer, London, Ont.

Obligations or role of Canada in joint defense plans for North America between United States and Canada might well take form of protection against surprise attack by installation, maintenance and operation of an adequate system of radar and other warning systems or measures coupled with armed service forces of sufficient balanced strength of internal security and coastal patrol. In addition, Canada should support a broad program of scientific research. All armed services equipment should be standardized between United States and Canada. To properly carry out the above outlined general plan will fully tax Canadian financial resources.

• • •

COL. H. S. TOBIN, President, Brewers & Distillers, Vancouver.

Although co-operating with other countries and synchronizing her defense plans with those of the United States, Canada must not be lulled into a sense of false security. The policies of democratic countries change with governments and the speed with which policies are applied vary with the charasteristics of the officials responsible for their administration. Canada's scheme of defense, therefore, must of necessity at all times be the strongest within her means, kept up to date and capable of instant application. Only then will potential enemies hesitate to attack and promised assistance be sure to arrive in time.

—Photo by Nakash.

FRANK W. McINTOSH, general sales manager for Canada of Pepsi-Cola Co. of Canada, has been appointed a director of the company.

CANADIAN COLLIERIES (DUNSMUIR) realized a profit of $177,324 or 24 cents a share in the year ended June 30, 1949, as against 21 cents a share in the preceding year.

Coal produced totaled 763,790 tons, up more than 200,000 tons. On Vancouver Island, where approximately two thirds of coal is mined, high cost mines have been affected both by wage increases granted and CPR freight reductions to the west coast in July, 1948. At T'Sable River, 400 tons of coal is now being produced daily. This is to be increased as deliveries of equipment materialize. At McLeod River entry was made on the fourth level into the "vast body of virgin coal east of the fault." More modern handling apparatus has been installed.

High-grade seams of coal have been exposed by recent exploration at three locations on the company's properties.

CONS. INCOME ACCOUNT

Years Ended June 30:	1949	1948
Sales	$3,759,283	$4,100,679
Net earnings	546,903	413,490
Less: Deprec.	325,505	209,040
Bond interest	43,574	49,498
Taxes	900	......
Net profit	177,324	154,952
Less: Divds.	225,280	......
Deficit for year	47,956	*154,952
*Surplus.		
Earnings per Share and Dividend Record:		
Common	$0.24	$0.21
Paid	0.30	nil

CONDENSED CONS. BALANCE SHEET

As at June 30:	1949	1948
Cash & Dom. bds.	$487,364	$878,863
Accounts rec.	516,773	573,816
Investments*	235,846	......
Inventories	797,400	559,676
Total curr. assets	2,017,383	2,012,355
Prep. exps., etc	28,146	31,104
Inv. & adv. subsid. co.	......	51,999
Mtges., sales agree., etc.	85,234	86,248
Fixed assets‡	4,782,092	4,693,538
Total assets	6,912,855	6,875,244
Accts. & tax pay.	537,998	494,830
Divd. pay.	112,640	......
Accr. bd. int.	10,100	11,121
Bonds due	65,000	75,000
Total curr. liab.	775,738	580,951
Contingency res.	106,177	106,177
Funded debt	995,000	1,132,000
Capital stock	3,755,860	3,755,860
Capital surplus	872,083	872,083
Earned surplus	407,997	428,173
‡After depr. of	9,719,353	8,319,628
*Mkt. value	226,300	......
Working capital	1,241,645	1,431,404

TORONTO HYDRO ELECTRIC SYSTEM reports gross operating income for 1948 at $15,520,771 ($15,891,074 in 1947). Surplus of income on operating account was $2,535,975 ($3,551,277). Non-operating income totaled $405,435. Balance of income, after interest, depreciation, taxes, sinking fund etc. was $965,209 ($1,503,030).

Kilowatt hours sold in 1948 totaled 1,640,164,380 (1,658,030,007).

Main increase in charges was in expenses of operation in management which increased to $4,130,709 ($3,610,849).

Electrical energy purchased from the Hydro-Electric Power Commission of Ontario and other sources cost $8,854,087 or 55.6% of the gross income ($8,728,848 or 54.9%).

Of the net operating revenue, $900,000 was appropriated for a reserve to meet charges to be incurred in frequency conversion.

TO ASSIST INVESTORS

We have in our offices information respecting the financial position of Canadian provinces, municipalities, public utility companies and industrial corporations.

You are invited to take advantage of the facilities in our various offices for such information as you may wish to obtain from time to time.

Inquiries regarding any securities in which you may be interested, or in which you contemplate making an investment, will be promptly answered.

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BRIGDENS INCREASES DIRECTORATE

Fred H. Brigden, President of Brigdens Limited, announced that F. H. Ryan, Secretary, and T. A. Hogarty, Sales Manager, have been added to the Board of Directors. Other members of the Board are: F. H. Brigden, G. G. Brigden, L. G. Jones, Ralph Yeomans, E. J. Nicholson and F. H. England. Brigdens Limited is one of Canada's oldest members of the graphic arts industry, specializing in art, photography, engraving, printing, and lithography with art studios and sales offices located at Toronto, Montreal, Winnipeg and Windsor. *

BILL: Hullo Jack, I was hoping you'd drop in! I've been sitting here studying this bulletin about food parcels for Britain, and I think you'd be interested too.

JACK: I know a lot about food parcels for Britain—we send parcels over regularly. It's quite a job to go out and buy all the stuff, bring it home and pack it securely, then take it down to the Post Office and pay about $2.00 postage on each parcel. Then, you never know whether it is going to arrive safely, because pilfering of food parcels in England is getting quite serious!

BILL: Boy you sure do need to read this Bulletin No. 50! It's about a new Food Parcel Service just for people like you. Listen! "The most food for the least money"—"All top quality goods"—"Insured, Guaranteed Delivery"—"One price includes contents, packing, insurance, and delivery by registered mail."

JACK: You mean, mail a cheque and these people do everything else? I've been looking for something like that for a long time! Let's see that bulletin, I want to know what they put in their parcels. Say these look good!

BILL: Of course they do, they're put out by our old friends Canadian-European Forwarders Ltd., as a much-need service. Already they are getting letters back expressing thanks for some of the parcels which have been received, and they made a real hit in England. I'm not a bit surprised—as we both know, when Canadian-European Forwarders do a job, it's done right.

FOR FULL INFORMATION ON THE "WELCOME" LINE OF FOOD PARCELS WRITE OR TELEPHONE FOR A COPY OF BULLETIN NO. 50.

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What's New

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Avoid Short Circuits

"Battery Circuit Breaker" protects your car against short circuits. Unit is attached between the battery and ground to break the current, thus preventing short circuit in wiring system. Is controlled by push and pull switch from instrument panel. Easy to install, will not harm motor, battery or wiring system, New York maker states. Said to give more wear from battery which ordinarily has battery seepage through old wiring. Eliminates embarrassment when horn button gets shorted.

• • •

Air Conditioner

"Air Mist," portable air conditioner which works on evaporation principle marketed by Chicago firm; has two fans with water in bottom of unit. Regular fan drives perforated fan; chain on perforated blade which revolves in water, picking up particles of water. Fan blows through these particles causing evaporation, which in turn brings about a cooling effect. Can also be used as a deodorizing dispenser by putting deodorizing agent in water.

• • •

Small Parts Cleaner

A completely automatic small parts cleaning machine is being offered by New Jersey firm. Machine is furnished with a complete array of baskets, dividers and basket inserts, as well as with a quantity of cleaning and rinsing solutions. Parts to be cleaned are placed in the most suitable basket or subdivision in the basket, basket is snapped on the motor shaft and starter button pressed. Equipment is fully automatic through the cleaner in the first jar and through the rinses in second and third jars, and in the drying chamber, which is fourth and last stop in the machine. Complete cycle said to be 12 minutes.

• • •

Thread Dial Indicator

A thread dial indicator designed especially to aid in cutting metric screw threads on lathes equipped with metric lead screws is claimed to be first known satisfactory design for metric threads. Said to save much time when cutting long screw threads. To provide for various pitches of metric screw threads, several gears having different numbers of teeth are mounted on the lower end of the thread dial shaft. Vertical position of the thread dial indicator is changed as required so that the correct gear for the pitch of thread to be cut will mesh with the lead screw. Each graduation on the dial is marked with a letter indicating the points at which the half-nuts may be engaged for certain threads. Chart is supplied to show which gear and graduations must be used for each pitch of metric screw thread.

• • •

Cherry Pitter

A light-weight plastic mechanical cherry pitter for the home is designed to take cherry pitting out of the heavy handling equipment class. Its precision parts include a feeding trough and a smooth cylinder rimmed with round sockets to catch the cherries and discharge the pits as fast as the crank is turned — at rate of one quart of cherries a minute, Michigan maker claims. Said to be easy to wash; lightweight to handle; may be clamped to counter or table.

• • •

Plastic Binding

Colorful plastic binding called "Nu-Bind" being manufactured by Toronto firm can be slipped off for withdrawal or insertion of pages as necessary. Designed for use as a binder for business letters, catalogues, school notes, price lists, and many other items. Said to cut costs of punching, stitching, gluing, etc., necessary in other binding operations.

• • •

Car Parker

Four-decker car parker offered by Oregon firm is said to triple capacity of single-level parking lots at installation cost of approximately one-tenth that of per car cost of building a ramp-type garage. Designed for rectangular-shaped lots. Works by means of a small lift with a mobile elevator. Car said to be carried to desired stall within 30 seconds. Storage racks are built in sections of two or more; each subsection holds four cars. Or double-length racks which hold two cars in each stall are available.

• • •

For Fishermen

By use of chemical worm digger called "Early Bird" fishermen can obtain bait quickly and cheaply at any time of the day, Ohio makers state. When this white powder is dusted lightly over an area of moist ground that contains fresh worm holes and then thoroughly sprinkled with a hose, worms are said to appear within a minute or two. Are said to come completely out of their holes and are easily caught without danger of injuring by pulling. Chemical is not harmful to grass; also helps control many common diseases of grass, cite makers.

• • •

Interchangeable Syringe

First all-glass interchangeable syringe has been developed by English firm. Eliminates need for parts to be numbered for identification and corresponding parts of all syringes of the same capacity rating can be interchanged at will. Either plunger or barrel can be instantly replaced, effecting considerable saving because no partly broken syringe need be thrown away. Syringe is made of low-expansion, heat-resisting glass which is said to withstand sterilization of 300 degrees Centigrade.

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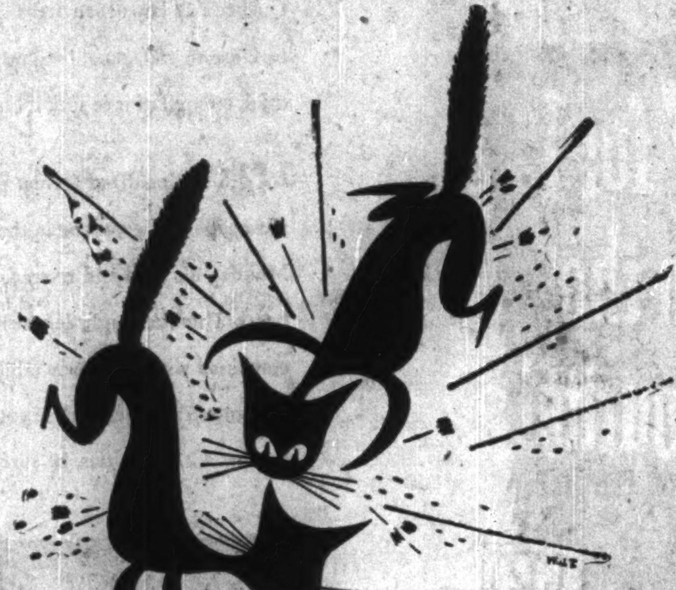

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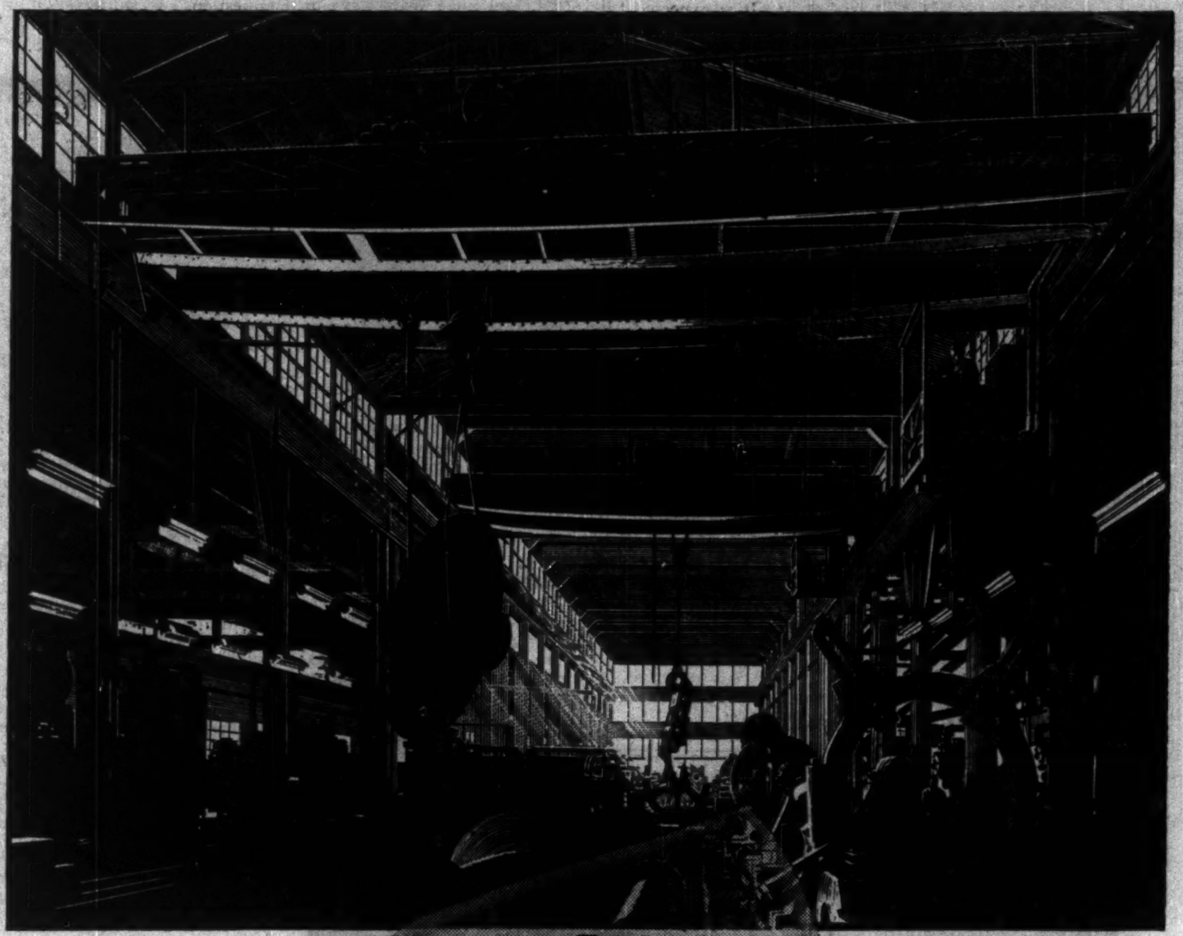

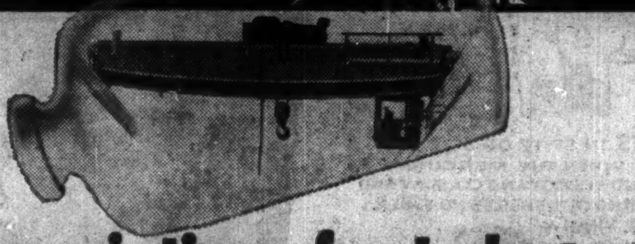

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The How and Why of British Bankruptcy

Here's First Complete, Easy-to-Understand Analysis of What's Behind Dramatic Moves Soon to Take Place: How Britain, Your Business and Canada's Future in World Trade May Be Affected By the Outcome

This article is the result of extensive discussion in Washington and Ottawa with officials of Britain, Canada and the United States.

By KENNETH R. WILSON

Will Britain devalue sterling?

Will Canada revalue the dollar?

Is Britain bankrupt and why?

How will Britain's troubles affect us?

All those questions are buzzing wherever men talk. For months and indeed years, people have been talking about the British crisis. She faced one crisis in 1947 when a world-wide run on the pound sterling forced her to abandon a premature attempt to make the pound and the U. S. dollar convertible.

Up to now it has been possible to talk about Britain's recent troubles as something that would come to a head sometime, perhaps by 1952 when ECA aid terminates.

But now the figures in Britain's bank book show that the crisis is here—or almost here. Britain must face her realities very soon now.

One thing now accepted as certain in Ottawa and Washington is that Britain will and must devalue sterling.

Present opinion is that the devaluation won't come for a few weeks yet.

Why not?

The British are to discuss their problem with the Americans at Washington in September. Devaluation might immediately precede or follow. Best opinion doubts if it will precede the Washington talks. But it is questioned if some action can be postponed much past that date.

The main reason for delay is this: that devaluation itself isn't enough to stave off Britain's impending bankruptcy.

Devaluation, to be effective, will have to be paralleled by a shake-up in the living habits and standards of the whole British nation; possibly as well in other parts of the sterling area. That means that the British people will have to be conditioned and educated as to why they are living beyond their means; why they must take a further cut in living standards to avert disaster.

It is argued that Attlee, Cripps and Co. may be unwilling or unable to do this prior to the September talks.

If nothing like this happens prior to Washington, or if nothing is done at the International Monetary Fund meeting later in the month, then October 5 may well be a critical day for Britain. On October 5, Britain gets the next report on its holdings of gold and U. S. dollar reserves. These statements are usually made public five days after the end of each quarter.

That report, which will almost certainly be bad reading, might be the event Cripps would seize upon to do the grim, painful surgical operation that is inevitable.

Delay, even this long, is costly—(tradewise)—for Britain. Because the situation worsens every day devaluation is postponed. Buyers defer placing orders. They cut purchases to the minimum in the hope that by waiting they will make a better deal as soon as devaluation is over.

Conversely, people who have deliveries to make in Britain rush these to avoid possible higher costs after devaluation. This has been going on now for many weeks. It widens the gap between exports and imports, means greater strain on Britain's dollar reserves.

U. K. Bank Book in the Red

Here is what Britain's bank book looked like at the last report for April, May, June. In those three months Britain ran behind $628 millions. That was the gross figure of her second quarter dollar deficit. Against this she took down $28 millions of her Canadian loan and received $340 millions American aid.

The net result was that by June 30, Britain's dollar reserves had dropped to $1,624 millions against $1,884 millions on March 31. These figures represented the total gold and dollar reserves of the whole sterling area.

And Britain has always said the lowest safety point for these reserves was $2,000 millions.

There is no reason to expect any improvement in the reserve position since June; rather the opposite because of devaluation talk. Also Britain's receipts from ECA aid are likely to be smaller in this third quarter.

That brings up another critical matter—the amount of ECA aid which Britain will receive in the second year's allotment (the 12 months starting July 1, 1949).

For this period, Britain asked originally for $940 millions—about one-third less than she received in the first year of the program. Later, she stepped up her request to $1.1 billion. And just a few days ago she said she'd need $1.5 billion.

Meanwhile, the U. S. Congress has pared down the amount of aid for 1949-50; pared it down even below the total on which the original U. K. request for $940 million was based. As a result, a temporary allocation made last week in Paris, gave Britain only $780 million. That's little more than half the amount of her final request.

When the allocation for 1949-50 is finally determined, Britain will doubtless get something more than $780 million. But other ECA countries resent any stepping up in the British allocation. It means they must take a smaller bite in what's already a smaller cherry.

So the final allocation of second-year aid to ECA countries may well be another blow for Britain; may well be one of the items which will bring the present crisis to a head. It should be known shortly. And it certainly ties in closely with the over-all "crisis" atmosphere.

What will be the new pound rate?

About $3.00 or a 25% revaluation is the figure most commonly used in calculations and discussions in Washington. Ottawa is very cagey about naming any figure.

It is expected that once Britain devalues, there will be a general re-shuffling of European currencies. Currencies in a number of countries are now artificially high. But it is argued that there was little use changing rates until it was known where the pound will ultimately stand in relation to the dollar.

What's highly uncertain is just what would happen to various sterling area currencies when the pound is devalued. Some of these countries are substantial dollar earners. Their internal position is stronger than that of Britain. They may be unwilling to make the same adjustment as Britain; may take this opportunity to realign themselves within the so-called sterling area. Indeed the sterling area as we know it now may well change very radically.

What Will Canada Do?

Will Canada devalue at the same time or soon after?

Certainly that is not inevitable and it is highly unlikely. Best bet is that the Canadian dollar will stay at par with the American.

Here's the reasoning in top official and economic circles:

1. Devaluation in Europe will inevitably be followed by a lot of confusion. Only when the dust settled would Canada be able to assess what could or should be done.

2. It is in Canada's interest that Britain and Europe get their houses in order as promptly as possible. If we were to devalue at the same time as Britain, we would help defeat the very objective Britain and Europe want to achieve by devaluation.

With devalued sterling, Britain gives herself an improved competitive position for selling in this market, i.e. we will get more British goods for each of our dollars. By lowering our dollar, we would cut the margin of Britain's advantage.

3. It does not appear that under present conditions devaluing our dollar would increase our own sales of our main exports to the United States—newsprint, metals, etc.—which would be a major reason for devaluation. Our success in selling in the U. S. market depends mainly on the level of U. S. prosperity.

4. Devaluation of our dollar would push our cost of living still further into the air because of the many essential and not-so-essential things we buy in the U. S.

Under present circumstances no action deliberately increasing our cost of living can be expected.

So, British and European revaluation will leave Canada still determining our dollar rate fundamentally in terms of our own position vis-a-vis the U. S.

Thus the questions governing policy on our dollar rate would be determined by the answer to questions like these:

(a) How would European revaluation affect our own U. S. dollar reserves?

If European devaluation is really effective, it might intensify our competition in U. S. dollar markets. If, for instance, Sweden were to sell more paper in the U. S. and reduce our sales there, Canadian earnings of U. S. dollars would decline.

(b) But would the gains offset the losses if Canada were to enter a competitive depreciation race?

(c) What would offset the disadvantage of having to pay more for our U. S. imports of coal, petroleum, cotton, machinery and other essential purchases?

(d) Would higher prices for Packards, Miami holidays, U. S. textiles, etc. curb Canadian buying to the extent that we'd be able to eliminate import restrictions?

Obviously, decisions regarding our exchange rate would have to be based on a careful study of business facts and probabilities. In today's world, the question of exchange rate has no proper connection with party ideology, with rightism or leftism.

What Effect on Business?

What will be the effect on Canadian business of British and European devaluation?

That can't be well answered at present. For several reasons.

Devaluation will, or should be, only one of several moves Britain makes. But what her whole program is, no one yet knows. Nor do the British seem yet to know. We won't even know until mid-September what is the effect of the 25% cutback in U. K. purchases announced last month.

Another question mark is, when Britain devalues, will other countries of the sterling bloc devalue and by how much? There may be good reason for them doing so, but their devaluation isn't automatic.

With very big questions still up in the air, it is possible therefore to give only part of an answer to the question: how will devaluation affect Canada?

For Canadians, it will make British and European goods cheaper, though a 25% devaluation will seldom mean as much as a 25% price cut to consumers.

For Canadian exporters to dollar areas, devaluation by Europe and Britain will or should mean tougher competition in U. S. dollar markets. This means not only the U. S., but most of Latin America.

Canadian exporters who will look most sharply at this situation are exporters of wood and paper products, shipbuilders, locomotive builders, etc.

For Canadian importers, British and European devaluation would affect a host of relatively minor items. It might shift our sources of supply or reduce the cost in Canada of some machinery, fruits, electrical apparatus, fats and oils, tea and so forth.

For Canadian business generally, British and European devaluation, in broadest terms, would mean that those people are handing themselves a competitive advantage in selling their goods—of every kind—in our markets and in those of U. S. dollar countries.

The Cause of Britain's Crisis

And that brings us right down to the much misunderstood basic cause of the British crisis.

It is fundamentally that Britain, since the war, has been living far beyond her means. To date she has "got by" through use of loans or gifts and because we were in a sellers' market. Now, not even generous ECA assistance is sufficient to keep her books in balance, or maintain her sales volume in export markets.

In its simplest form, it is the same problem as that of a man on $50 a week who wants to spend $60 a week.

Take that analogy a step further—and this is equally apt.

For a century, Britain had invested vast sums abroad. The dividends and profits of those foreign investments kept on growing. They added very substantially to the income the British people earned by producing goods and providing services like shipping, etc.

Britain was like a clerk with a rich wife. The revenue of overseas investments produced a very comfortable family income.

Then came World War I and the much more disastrous World War II. The first caused serious depletion of the overseas investments. The second wiped them out almost entirely.

And meanwhile, the clerk husband's earning capacity declined.

British business became cartel-minded. It concocted many schemes and agreements to regulate or eliminate competition; to keep business comfortable. It too often tended to be more concerned with preserving a share of the market, rather than in fighting its way to a bigger share.

Because her labor was cheap and her markets protected by colonial and preferential arrangements, British business too seldom learned the competitive importance of mechanical efficiency, constant modernization, sharing gains wtih labor in increased wages, lower prices and modest net profit. The last war greatly aggravated this situation. Cheap labor disappeared. So did cheap raw materials like British coal.

In Canada and the United States, business has well learned how to expand markets. Modern merchandising methods plus high productivity per worker have brought indoor plumbing, automobiles and garages refrigerators and washing machines to most workingmen's homes. Not so in Britain.

But Britain's earning capacity, her ability to produce goods the world wants at an attractive price, or—to resume the family analogy—the ability of the husband of the once-rich wife to earn a living, has causes even more important than the failings of its industrial managers.

There is the physical destruction of war to be repaired, and the almost 10-year gap in which "normal" business policies could not be carried out.

There has been the 50-year indoctrination of the British worker by the Socialists and by the labor unions that it was, so they said, to his advantage to go slow on the job, to resist change, to fight the installation of new machines.

This philosophy gives incentive to live for today and invest as little as possible for tomorrow, because the Socialist state threatens large sectors of business with nationalization as soon as it can get round to it. The boss, so the worker was taught, was his enemy. Anything he could do to hurt the boss, so the theory got translated, would help him.

Then came the big and magnificent spate of social legislation—cradle-to-grave security, etc. etc. etc.

Socialism Takes Its Toll

How, actually, does the Socialist super-duper social security program have an effect in the present British crisis?

It reduces the incentive to work and earn and save. This affects management and worker alike.

It results in very high taxes which, for obvious reasons, reduces the boss' ability to fight for new markets.

The Socialist state diverts enormous numbers of people away from productive labor to the service of government and the filling out of forms.

By enormous food and other subsidies the British Government is camouflaging the real cost of British living; co-operating with the great Socialist conspiracy to pretend that the facts aren't so.

So successful has been this British game of "Let's pretend we're richer than we are" that today only a few British people know their standard of living is now, inevitably, in for a lacing.

And that's one of the government's main problems in doing the things that now have to be done.

Devaluation and the other things now necessary are going to hurt the British millions right in the stomach and in the muscles.

They're naturally tired of privation and regimentation now. But they're in for another and very bitter dose. Most of the British millions will have the puzzled indignation of the spaniel on the hearth rug given what appears to be an undeserved kick.

One estimate says that a 25% devaluation of sterling will cause an almost immediate increase of 5% in the British cost of living.

If the British response to that increase in the cost of living and further privation is a wave of strikes, a general lessening of productivity because of hostile turmoil and a successful fight for higher wages (without higher relative productivity), then devaluation won't have achieved its purpose. Britain will not have increased relatively the value if its output.

And it is only by giving better value for what it has to sell that a cure will be found for its present problem.

Bevan Puts Work First

A few weeks ago Britain's Minister of Health and the recognized leader of the radical wing in the Socialist party startled everybody when he said to a group of miners:

"The only people who can put you on your feet are yourselves and for 1949 I give you work first, independence second, Socialism third."

That recognition of the realities came from Aneurin Bevan.

Then The Economist of London very well and succinctly stated the inevitables that are required in British political, economic and social life.

Commenting on the surprising illumination that had suddenly lightened the darkness of Socialist Bevan, The Economist in effect asked: Does he really mean it?

"Has he (Bevan) thought this out? Is he, for instance, prepared to admit that only very much harder work can justify the present trend of wages in many industries, not least in the mining industry? Is he prepared to accept the fact that source prices must be reduced, and if wages cannot be lowered, then labor costs must be got down, which means, among other things, turning off the marginal or idle worker? Is he, in fact, prepared to face the moderate margin of unemployment that must accompany any changes of policy toward efficient, low cost production? Is he prepared to limit and eventually to reduce the government's level of expenditure particularly on his own health service? Is he prepared to follow his own order of priorities to the extent of postponing irrelevant and expensive schemes of Socialist experiment, such as iron and steel nationalization?"

The practical and, above all, the political difficulties for a government of putting Britain through the wringer she must now go through, are obvious.

For some months many people with a high regard for the intelligence and moral stature of people like Attlee and Cripps had expected they would call an election as promptly as possible. On the basis of their extraordinary run of successes in by-elections and of the widely-held political rule that you can't beat Santa Claus, the expectation was that the Socialists could zoom back into power. With a fresh mandate the belief and the hope had been that they would have the courage—and the political strength—to do all the unpopular things that are going to have to be done.

But the consensus now is that won't be done.

It is too late.

The Politics of U. K. Position

Recent figures on the British position make it almost certain that at least some of the unpopular, unpleasant things will have to be done before it would be physically possible to run off an election.

The present government doesn't have to go to the country before mid-1950.

But if the crisis must precede a fresh mandate from the electors, what then is likely to happen?

A split in the Labor party seems inevitable. Some shrewd opinion believes the Attlee, Cripps, Bevin, Morrison group will try to carry through the recovery program regardless of revolt in the party and, probably, in the labor union headquarters of the party, the Trades Union Congress.

Some people believe that only a Coalition government can do what's necessary.

Other informed observers, taking a purely non-partisan view, think the British masses are going to be toppled off their artificially high standard of living with less unrest and civil commotion by a government calling itself Socialist Labor than by a government calling itself anything else.

What are the higher, the imperial politics of this situation?

From the informed American point of view, here are some important points:

1. With Communism the world menace, the economic health of the British Empire and of Europe is a primary and fundamental sector of the defense of America itself and of the human and political principles on which it stands.

That was a basic consideration in the Marshall Aid legislation.

2. As a little United Nations in itself, the British Empire and sterling bloc, in this dangerous, tangled world, is a unit which it is to America's fundamental interest to help preserve and with which it is essential to restore normal and healthy trading relations.

To date, let it be noted, the Americans have supported this viewpoint by indirect means. They have given direct aid to England, knowing that some of it was being used to finance a sort of private sterling area foreign aid program which Britain herself was operating throughout her sterling "empire."

That brings us to another fundamental root cause of Britain's problem: her own imperial politics and their impact on her dollar position.

From the British point of view, what are these high politics?

1. Rebuilding, preserving and defending its Empire.

This is very evident in respect of oil which parallels nearly all the lines of Empire.

The British requests to ECA have included enormous sums for oil field equipment. The ECA has been looking at these requests very sharply.

As well, Britain has been carrying high defense costs to maintain her Empire defenses. It is suggested that she may ask at the forthcoming Washington conference that some of these costs be now pooled.

2. Retaining markets in places like India is another high political factor.

And this brings us to the other main factor in Britain's problem.

Impact of Empire Troubles

How do Britain's Empire problems contribute to her present plight?

Britain is still dollar banker for the sterling area. This presently includes the colonies, the Dominions (except Canada), Eire, Iceland, Burma, Iraq and the Faroe Islands.

Being dollar banker means that Britain holds the dollar reserves of all those areas. An Icelander wishing to buy an American radio pays out so many kronur. But the bill eventually goes to London where conversion is made into dollars.

With respect to her Empire and sterling area, Britain's problems are basically two.

One is that various countries in the sterling area have accumulated sterling credits in London to the extent of $12 billions.

Most of these credits or "balances" as they are generally called, were accumulated during the war. An example is that of India.

Early in the war, Britain told India: "We'll

(Continued on page 12)

Vicky—London News Chronicle.

Vicky, London News-Chronicle cartoonist, decides the traditional John Bull character is passe in the present crisis. His typical Englishman of today is portrayed as the soul of perseverance.

Here's U. K. - Europe Record Compared

Record of Effort

The United Kingdom is endeavoring to improve its balance of payment position by increasing exports, reducing imports. Here's how her record compares with that of other European countries:

EXPORTS AND IMPORTS BY VOLUME
First quarter of 1949 as percentage of 1938

	Expts	Impts	Exp. Index divided by Imp Index
Belgium-Luxbg.	114	97	118
Denmark	84	107	79
France	127	106	118
Norway	91	109	84
Sweden	65	103	63
Switzerland	113	121	94
UNITED KINGDOM	156	82	190

Trade with $ Area

Of the European countries receiving Marshall Aid from the United States, United Kingdom is the only one now earning, by exports, a higher proportion of its dollar requirements than before the war. Here's the record:

IMPORTS FROM AND EXPORTS TO THE DOLLAR AREA

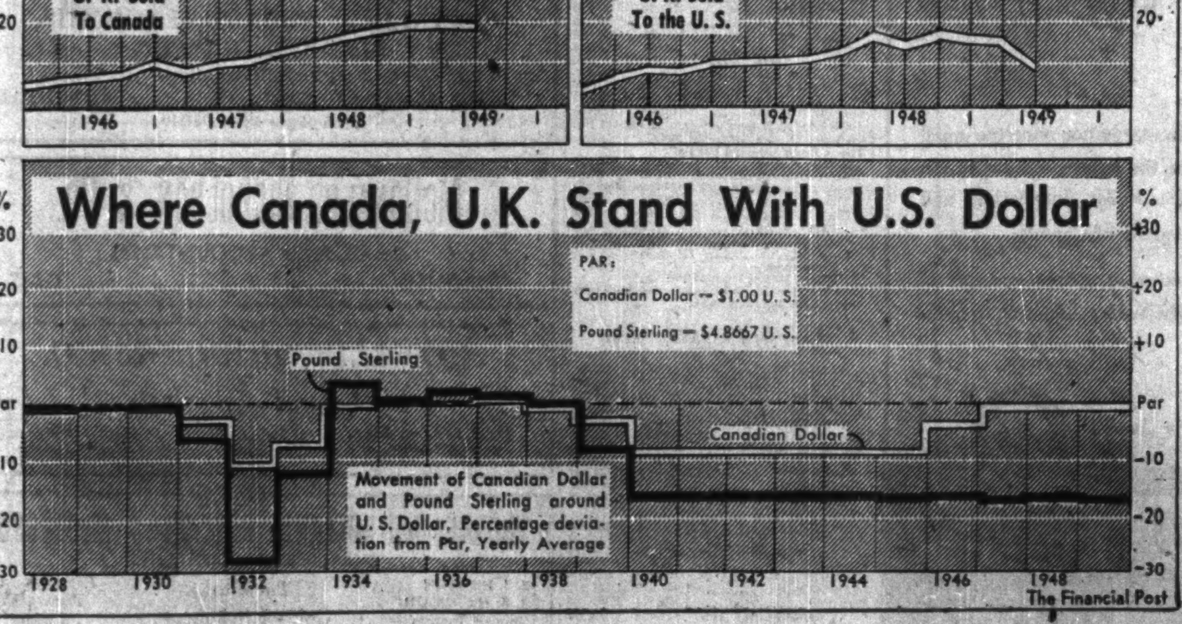
	Trade with Canada and USA, April, 1948-March, 1949 $ Millions		Proportion of $ Imports Covered by $ Exports		Change from 1938 to 1948-49
	Impts.	Expts.	'48-'49 %	'38 %	
Belgium-Luxbg.	355	138	39	55	—16
Denmark	125	.15	12	18	— 6
France	594	82	14	39	—25
Italy	595	95	16	73	—57
Netherlands	355	39	11	42	—31
Norway	120	35	29	46	—17
Sweden	160	74	46	64	—18
Switzerland	231	11[illegible]	49	80	—31
UNITED KINGDOM	1,565	559	36	27	+ 9

Production Record

How does the United Kingdom compare with other European countries in current industrial production, as against prewar? Here's the record, taken from the United Nations' Economic Bulletin for Europe:

INDICES OF INDUSTRIAL PRODUCTION:
First quarter of 1949, as percentage of 1938.

Belgium	122
Denmark	135
France	124
Italy	90
Netherlands	122
Norway	130
Sweden	147
UNITED KINGDOM	131



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The How, Why of British Bankruptcy

(Continued from page 11)

pay all your costs of the war—armies, defense, everything." By the time the war ended this Indian bill of account alone had run up to about $4 billion.

So, whenever she likes, India now draws on her sterling credit balance. To pay this I.O.U., Britain has to ship India commodities, raw materials, manufactures, etc. and Britain gets neither goods nor money in return. All she gets is a bookkeeping entry writing off a few thousand pounds from an astronomical war debt.

This business of having to meet wartime I.O.U.'s is, of course, extremely serious for the British economy. It puts pressure on supply. It contributes very largely to the completely false air of British prosperity.

Maintaining the Empire, keeping friends, preventing remote areas from flying off into Communist arms is important. But it is understandable that American and ECA officials look askance at the huge amounts of "aid-to-Britain" funds and materials which are promptly channeled off for the benefit of places like India and Pakistan.

Dollar Banker — Without Funds

But, there is another way, in which Britain's imperial problems are weighing heavily.

As dollar banker to the sterling world, Britain has assumed authority but hasn't the power that's necessary to go with it.

Britain can impose restrictions on her own people to prevent them spending U. S. dollars for American television sets or fountain pens.

But Britain can't enforce the same rules for places like South Africa or Ireland or any of the rest.

So Britain is like a father with the purse, but with no control on how the wife and family spend the money.

And Britain hasn't been getting very good co-operation on dollar-saving.

A good example is from the recent London talks of Commonwealth finance ministers.

Cripps, in effect, said: "We're in a terrible jam. Britain is going to cut her dollar spending 25%. What will you do?"

So Cripps passed around the collection plate—with deplorable results.

Pakistan, for instance, under the British 25% cutback would have got an allotment of $36 millions.

But Pakistan wiggled.

By calculating the 25% cut on a basis of her dollar spendings from June to June, instead of by the British calculation based on the calendar year, Pakistan got an allotment of $65 millions which, by its figuring, still technically qualifies as a 25% cut.

India, similarly, worked a special deal.

India has been given $140 millions out of the sterling pool, to spend in dollar areas. This is apparently only $4 millions less than she spent last year.

Even more revealing are the recently disclosed facts about India's present position as a "member" of the sterling pool.

Last year, Britain gave India a dollar allocation of $60 millions. But India actually overdrew her account by $84 millions. Now Britain has had to "forgive." She herself has had to honor the overdraft out of the sterling area reserves.

As well, Britain has had to put India's 1949 dollar "budget" at $140 millions — only $4 millions more than the 1948 allocation, plus overdraft.

No 25% cut there!

Further, India ran up last year another overdraft of £81 millions ($325 millions) on sterling account. That's the blank cheque on British production which has bedeviled Britain's financial managers ever since the war.

Not only that, but it was announced last week in London that India had been reinstated into full sterling area membership. It was also announced that she had been promised sterling releases by Britain for 1949-50, that could reach the huge sum of £100 millions ($400 millions).

What Can U. K. Do About It?

Why does Britain let members get away with such deals?

Apparently she thinks there isn't much she can do about it. That's if she wants to keep India, Pakistan and other free sterling spenders friendly. On the other hand, she may now be at the stage where she is deliberately readying for a bank book position that's so bad as to require drastic emergency measures.

Will Britain get tough with her sterling partners?

Will she say: "We're bankrupt. We can't make good on those wartime debts we piled up. Tear up our I. O. U.'s or take tuppence on the pound?"

Cripps is doubtless thinking about answers to such questions now.

In its most fundamental aspects, Britain's present predicament stems not only from her losses in two world wars, but more importantly from the rise of the United States as the world's great industrial nation and from the swift, cost-cutting processes of North American technology.

For 25 years America has gone on exporting a great deal more than she imports.

America camouflaged from herself and the world the real facts as to what was happening by vast loans to Britain and Europe after the First War, and now again after the Second War. So far, paying out money in loans has proved more popular politically than the other alternative of buying more from the rest of the world.

The British crisis just ahead may well be a major milestone in getting back to the thing we all oversimplify by the word "convertibility."

Some people hope this crisis will mark a new era in world economic history—because it will bring together the most potent trading groups in the world—the dollar and the non-dollar countries.

That is one direct result of the recent London conference.

It is a result in which Canada has already played an important role. For it was Canada that insisted that U. S.-U. K.-Canada should come together in advance of the Commonwealth meetings.

What shocked Canadians (and Americans) at that time was that Britain had no constructive solution to offer. She was inclined to blame the American recession for the decline in her dollar export trade. Her chief approach was the purely negative one of further cuts in her dollar purchases.

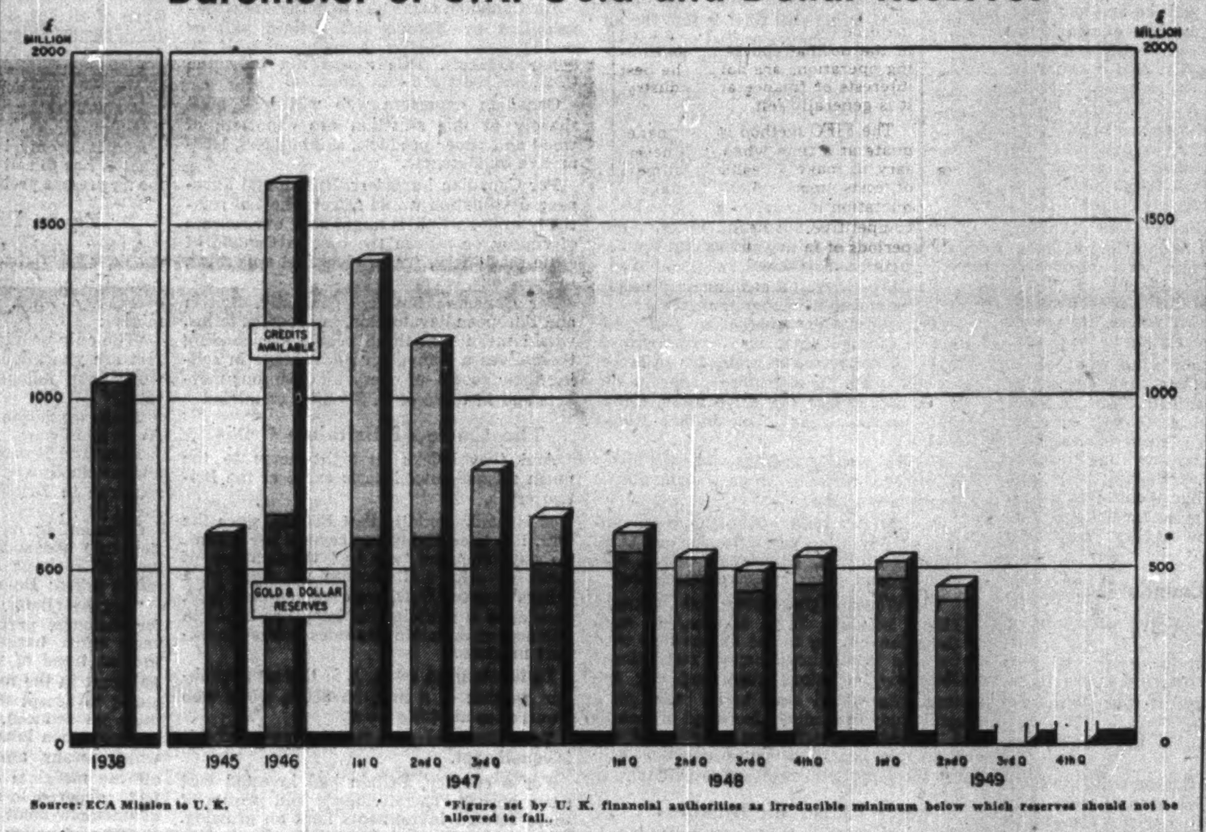
At London, both Canadian and American officials emphasized that Britain's plight was largely the result of her own internal weakness; that the buyers' market in North America had put an end to the artificial prosperity of the two-price system which Britain has operated for the past two years behind the picket fence of her sterling area connections.

Thus it's worth looking for signs of hope in the approach Britain brings to the forthcoming Washington talks.

If the British show willingness to tackle fundamentals, something important may happen at Washington. And leading British authorities say frankly that there is more hope of the U. K. Government tackling these fundamentals now that U. S. and Canada have been brought into the discussion. They argue that Britain, by herself, could never cut the Gordian knot of devaluation and living-beyond-her-means.

The next few weeks should give the answers to some of these momentous questions.

Barometer of U.K. Gold and Dollar Reserves



Source: ECA Mission to U. K.

*Figure set by U. K. financial authorities as irreducible minimum below which reserves should not be allowed to fall.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN CONVERTERS CO. net profit of $195,393 for the year ended April 30, 1949 was 48.3% below the previous year's net of $377,469. No dividends were received from wholly-owned subsidiary companies during the past year.

Keen competitive conditions during the year coupled with marked resistance to prevailing prices created a most difficult situation, President H. C. Flood states. The resistance was caused to a great measure by a sharp recession in the U. S. textile industry. Relatively little U. S. goods came into the Canadian market at distress prices but whatever goods were imported were at reduced prices which made our buyers hesitant and "price conscious," Mr. Flood states. Raw material prices were about the same as for the previous year. Margin of profit was considerably reduced.

Outlook for the current year is still very cloudy and prospects for any substantial reduction in the prices of raw materials obtainable from the local mills appear unfavorable, Mr. Flood states.

An increase of $593,230 in working capital was largely brought about by an increase of $100,000 in funded debt, by the retention of earnings in excess of dividends paid and by the sale on Jan. 18, 1949 of part of the company's buildings to a Canadian insurance company for $350,000 with an option to repurchase on or before Feb. 28, 1955.

In the interests of efficiency it was decided to transfer one of the company's plants to Shawinigan Falls, Que. The premises left vacant have been advantageously rented for seven years from March 1, 1948, Mr. Flood states.

The $300,000 series A bonds due March 1, 1952-57 were redeemed on March 1, 1949 from proceeds of the property sale.

CONS. INCOME ACCOUNT

Years Ended April 30:	1949	1948
Net earnings	$437,745	$534,508
Add: Subs. divds.	....	143,784
Less: Depreciation	78,730	73,709
Bond interest	16,634	16,125
Income tax	127,000	176,000
Ext. rep. & main.	39,968	61,714
Bd. red. prem.	....	1,500
Add: Asset prof.	a	28,225
Net profit	195,393	377,469
Less: Dividends	52,005	52,005
Surplus for year	143,388	325,464

aNote: Profit on asset sale of $71,443 not included in net profit in 1949.

Times Bond Interest Earned:	1949	1948
Before deprec.	27.49	42.06
After deprec.	22.76	37.49
Earnings per Share and Dividend Record:		
Class A†	$2.82	$5.44
Class A*	1.50	1.50
Paid	0.75	0.75
Class B†	4.14	9.39
Class B‡	2.64	7.89

None paid.
†Before (‡after) participation.
*After partic. Maximum available for year under partic. clause.

CONDENSED BALANCE SHEET

As at April 30:	1949	1948
Cash	$73,730	$86,811
Accts. rec.	793,069	524,041
Inventories	1,474,878	1,122,544
Total curr. assets	2,341,677	1,733,396
Prepaid ins., etc.§	33,273	24,708
Invest. in subs.	319,091	318,591
Ref. EPT	11,264	35,296
Properties*	1,858,374	1,324,441
Goodwill, etc.	250,252	250,252
Total assets	4,813,931	3,686,684
Bank overdraft	78,048	....
Accts., etc., pay.	452,941	488,286
Taxes	111,001	130,088
Total curr. liab.	641,990	618,374
General reserve	50,000	50,000
Funded debt	400,000	300,000
Capital stock	1,421,470	1,421,470
Surplus	1,300,471	1,296,840
*After depr. of	479,885	513,977
§Incl. in curr. assets in co's report.		
Working capital	1,699,687	1,115,022

3rd Can. Gen. Inv. Assets Value Lower

Total net assets of Third Canadian General Investment Trust Ltd. had a liquidation value of $3,150,068 or $4.82 a common share at June 30, 1949, as compared with $3,508,101 or $5.36 a share at Dec. 31, 1948. Marketable securities, carried at $2,325,574, had an indicated value of $3,099,162 at June 30.

Income from investments totaled $92,037 for the six months to June 30, 1949. Profits before income tax amounted to $87,399.

Dividends paid amounted to 21½c a share or a total of $140,609 which reduced surplus account balance to $343,210 at June 30, 1949. Capital surplus distributable amounted to $1,363,648 at June 30, 1949, after adding $9,069 net profit realized on securities sold in the six months.

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ABOUT YOUR TAXES By STUART THOM, LL.B.

Court Taxes a Promoter On Mining Deal Profits

When are promotional profits subject to tax as income rather than tax free as capital gain?

The recent Exchequer Court case of W. J. McDonough vs. Minister of National Revenue will be a leading case in the field of income tax law relating to this subject, not because it lays down any new proposition but because for the first time it provides a judicial answer to a question of more than ordinary interest in financial circles. Mr. Justice Cameron has held that the profits from a mining company deal are taxable—under a given set of circumstances. In so deciding he did no more than apply well-established principles to a given set of facts.

The facts briefly are that the appellant, W. J. McDonough, conceived the idea of amalgamating a number of Kirkland Lake mining properties under one new company, Amalgamated Kirkland Mines. Arrangements for acquisition of the properties were made and the company was incorporated, but not until the appellant had found a purchaser for an initial block of shares which he contracted to take up from the new company. By successive option agreements the appellant took up further blocks of shares, in each case having previously completed arrangements for the resale thereof at a profit.

Tax was claimed by the Minister of National Revenue on the profit made by the appellant on the several sales of the company's stock.

Resale of Stock Arranged

At no time did the appellant advance any funds of his own and no stock of the new company was taken up for which a resale had not already been arranged, the judgment points out. The appellant's active interest in the promotion and direction of the project extended from April to December of 1939 when he was called for service with the Air Force. During that period he had no other occupation and the promotion and salaried direction of the company engaged his entire time and attention. The option and resale agreements, however, continued to produce profits until 1941.

It is emphasized in the judgment that although the appellant's activities led to the establishment of a new mining exploration project, his purpose was to make a profit for himself, which he did, not from the operation of the mine but from the sale of shares. It is noted that he was not only engaged in the business of promoting the company, but of the underwriting of its shares, the latter being an essential feature of the business.

On these facts it was held that the profits were not capital gain, as claimed by the appellant, but were gains made in the operation of business in carrying out a scheme for profit-making and therefore properly assessable to tax.

The cases which lay down the governing principles on which the judgment rests are in every case decisions of English Courts. In so far as the new Income Tax Act more closely resembles the English Act than does the Income War Tax Act, the judgment will be relevant to current problems of the same or a similar nature.

Crown Claiming More

It is probably not mere coincidence that the Taxation Division has over the past few years assessed income tax on profits which in the more relaxed prewar days were allowed to go free. The result of cases such as Martin vs. The Minister, Atlantic Sugar Refineries vs. The Minister, and now McDonough vs. The Minister, is that the Crown has successfully claimed a considerable part of that former no-man's-land between taxable income and capital gains.

In so doing, no direct assault has been made on the principle that capital gains are not taxable. In each case long-established rules of English law were called upon to support the claim for tax. In strict law the decision in each case is, of course, limited to the facts of that case.

Particular decisions, however, have a way of becoming authority for general propositions. In the McDonough case, the Court had little difficulty in holding that the facts pointed to the carrying on of a business. In another case the Minister may be encouraged by this success to claim tax on the basis of facts less conclusive on the issue of carrying on business and the susceptibility of profits from company organization deals to income tax will be taken for granted.

E. V. RIPPINGILLE, JR.,

has been appointed president and general manager of the new General Motors Diesel Ltd. at London, Ont.

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The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INVESTMENTS

Inventories

Please give me advantages and disadvantages of a first-in, first-out method of keeping inventory as compared with average method. I am interested in effect both in a rising and a falling market.

Accountants stress that each method of valuing an inventory can produce certain advantages and certain disadvantages in varying circumstances and at varying times, depending on the nature of each business.

In deciding on an inventory method to be followed by a new business or in reviewing the inventory method followed by an established business to see if a change can advantageously be made, a businessman would have to study thoroughly the financial effect of each of the recognized methods. He would also have to consider the need for advantageous timing of the method used, for each of the inventory methods can be commenced more advantageously at certain times than at others.

The principal characteristic of the first-in, first-out (FIFO) method is that it values issues from stores and residual book inventory balances at "historical cost." Consequently, when prices are falling it tends to produce relatively high manufacturing cost with relatively low operating profits and a deferment of profit taxes. When market prices are falling, this method tends also to leave relatively low book inventory balances and, by narrowing the margin between "cost" and falling market values, it restricts any amount required to reduce book inventory values to the "lower of cost or market."

On the other hand, when prices are rising, the FIFO method tends to give low manufacturing costs and high book profits or inventory profits. By causing residual book inventories to be valued at a higher figure, this method often brings into account book "profit" which may never be realized even where such inventory values are below current market prices after dates of the relative financial statements and yet creates an income tax liability for such profit.

By its disregard of current market cost of replacing materials used, the FIFO method tends, when material prices are in wide fluctuation, to cause financial statements to be influenced unduly by price fluctuations rather than to show the results of normal operations. Financial statements which fail to take into account widely varying costs of materials which must be replaced in the normal course of continuing operations are not in the best interests of finance and industry, it is generally felt.

The FIFO method is also inadequate at a time when it is necessary to make a realistic estimate of costs upon which to make a quotation in order to get new and competitive business. It is during periods of falling prices that competition is keenest. Yet under the FIFO method a businessman may be charging higher than the current market prices for materials which he has to use, which would put him at a disadvantage in quoting a competitive price as against a competitor who was using, say, the last-in first-out (LIFO) method.

The LIFO method causes materials to be charged out of inventories at a price nearer to the current market prices than either the FIFO or the average price method. To that extent the LIFO method more closely approaches the business necessity to keep current material costs in line with current market replacement prices. It also has certain advantages and disadvantages.

The average price method charges materials out at the average cost of the whole inventory. It tends, therefore, to produce results somewhere between the FIFO and the LIFO methods.

We suggest that if you are setting up an inventory method for a new business, or considering changing your present method, you should obtain expert advice on the subject.

Adelaide Sheppard Co. Reorganization Near

Solicitors acting for the trustee of Adelaide Sheppard Co.'s bondholders see no cause for further delay in completing the transactions in the plan of reorganization, W. R. Sweeny, Chairman of the Bondholders Committee advises. It is expected that new debentures, voting trust certificates and cheques will be issued shortly.

Cash in the hands of the bondholders' trustee amounted to $49,485 at Nov. 30, 1948 (before cost and fees of receivers and solicitors). In addition there was about $42,000 in rents collected, less disbursements, from Nov. 30, 1948 up to June 15.

The new company, Concourse Building Ltd., is being organized. When legal proceedings are completed it will take title to the building and assets, including cash in the hands of Trustee. After paying all legal costs involved in the proceedings and the new company's incorporation, the balance will be paid to bondholders on account of principal due on new debentures.

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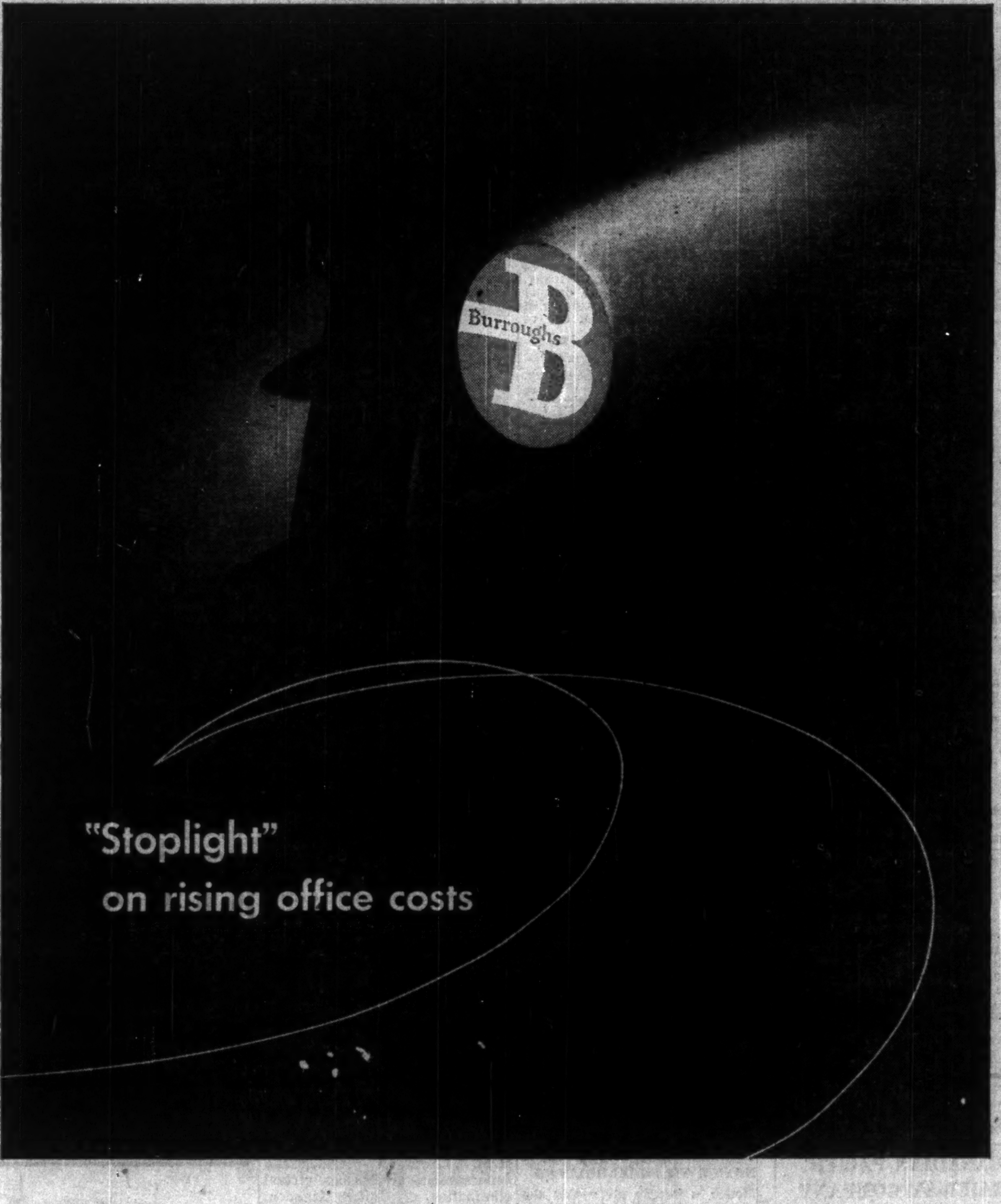

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Abitibi

DIVIDEND NOTICE

Notice is hereby given that dividends, in the respective amounts per share set out below, have been declared payable October 1, 1949, to shareholders of record at the close of business September 1, 1949, on the following outstanding shares of ABITIBI POWER & PAPER COMPANY, LIMITED:

Preferred 37½c per share
Common 25c per share

By Order of the Board.
L. B. POPHAM, Secretary.
Toronto, August 11, 1949.

Golden Manitou Mines Limited
(No Personal Liability)
INTERIM DIVIDEND NOTICE NO. 5

Notice is hereby given that an interim dividend of five cents per share has been declared by the directors of the company, payable in Canadian funds on October 1st, 1949, to shareholders of record at the close of business September 9th, 1949.

By Order of the Board,
S. A. PERRY,
Secretary-Treasurer.
Toronto, August 11, 1949.

The Monarch Knitting Company, Limited
NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the 4½% cumulative redeemable sinking fund preference shares:

A quarterly dividend of $1.12½ per share for the quarter ending September 30, 1949, payable on and after October 1, 1949, to the holders of record at the close of business on August 31, 1949.

On the common shares:

A quarterly dividend of 25c per share for the quarter ending September 30, 1949, payable on and after October 1, 1949, to the holders of record at the close of business on August 31, 1949.

By Order of the Board.
D. A. McINTOSH,
Secretary.
Toronto, August 12, 1949.

DIVIDEND NOTICE
HIRAM WALKER-GOODERHAM & WORTS LIMITED
DIVIDEND No. 131

A dividend of 50 cents a share has been declared on the outstanding no par value Common stock of this Company payable Thursday, September 15th, 1949 to shareholders of record at the close of business on Friday, August 19.

By order of the Board.
A. H. STUART,
Secretary.
Walkerville, Canada,
August 4, 1949.

Royalite Oil Company, Limited
NOTICE OF DIVIDEND NO. 43

NOTICE is hereby given that a Dividend of Six and one-half cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on Monday, August 15, 1949, and that the said Dividend will be payable on or after Thursday, September 1, 1949.

By Order of the Board.
R. D. MERCER,
Secretary-Treasurer.
Calgary, Alberta,
August 8th, 1949.

Verney Corporation of Canada Ltd.
DIVIDEND NOTICE
PREFERRED SHARES

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1⅛% (56c) per share has been declared on the outstanding 4½% Cumulative Redeemable Preferred Shares, payable October 1, 1949, to Shareholders of record at the close of business on September 15, 1949.

JOHN G. PORTEOUS, K.C.,
Secretary.
MONTREAL, August 1, 1949.

DIVIDEND NOTICE
CANADA MALTING CO., LIMITED

NOTICE is hereby given that a dividend of Fifty Cents (50c) per share has been declared on the no-par-value stock of the Company, payable September 15, 1949, to Shareholders of record at the close of business on the 15th day of August, 1949.

Share Warrant Holders will present Coupon Serial No. 57 to The Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG and CALGARY on and after September 15, 1949.

By Order of the Board.
GEORGE J. WILLIAMS,
Secretary.
Dated at Toronto
August 9, 1949.

Westeel Products Limited
DIVIDEND NO. 18

Notice is hereby given that the regular quarterly Dividend of fifty cents per Share, plus an extra Dividend of twenty-five cents per Share, have been declared on the outstanding Capital Stock of the Company, payable in Canadian Funds on the 15th day of September, 1949, to Shareholders of record at the close of business on the 25th day of August, 1949.

By Order of the Board.
P. F. FOWLE,
Secretary-Treasurer.
Toronto, August 9th, 1949.

CANADIAN PACIFIC RAILWAY COMPANY
DIVIDEND NOTICE

At a meeting of the Board of Directors held today a dividend of two per cent (fifty cents per share) on the Ordinary Capital Stock in respect of the year 1949 was declared payable in Canadian funds on October 1, 1949, to Shareholders of record at 3.00 p.m. on August 22, 1949.

The Directors call the attention of the shareholders to the fact that the heavy disproportion between railway expenses and revenues still continues and that no relief has yet been given in respect of the application for an increase in freight rates. This interim dividend is paid wholly out of other income of the Company.

By Order of the Board.
F. BRAMLEY,
Secretary.
Montreal, August 8, 1949.

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

Liberal Takes Labrador: Liberals won their 22nd seat in the 28-member Legislature. In Labrador by-election—delayed by weather conditions and following by two months the general provincial election—Harold Horwood polled 1,288 votes against Progressive-Conservative Samuel Grant's 133 for a majority of almost 10 to 1 in the two-party fight. Vote was counted at Goose Bay air base. Standing in the Newfoundland House now is: Liberals 22, Progressive Conservatives 5, Independent 1.

More Baby Bonus: Family allowance recipients are increasing in Canada's 10th province. In April, first month in which allowances were paid, 122,402 children got $703,856, with average per family $5.75. In July, 134,038 children were registered for $816,213 or average $6.06, highest in Canada.

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Prince Edward Is.

Slow Boat to Charlottetown: Freight taking two weeks to arrive from New Brunswick. Passenger trains 12 hours late. These were some of the Island's transportation difficulties highlighted when the roving Royal Commission on Transportation visited. Main proposals: Additional car ferry across Northumberland Strait; operation of the complete ferry service by an independent commission instead of by CNR; extension of 1927's 20% freight rate concessions to wider fields; construction of Trans-Canada highway and Chignecto Canal; air freight service to Newfoundland; improvement of harbor facilities; assistance to coastal shipping around the Maritimes.

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Nova Scotia

Oleo Control Begins: Province's Margarine Control Act, similar in effect to New Brunswick's Margarine Act, went into force Monday, clamping tight rules on content and public use of butter substitutes. It forbids use by the maker of anything but salt as a preservative, requires him to declare on the label what kind of fats are used, forbids restaurants to mix with butter. Agriculture Minister A. W. Mackenzie said the measure is designed to protect the consumer from anything but high quality butter substitutes and to assure him against confusing the product with butter when buying.

Apple Marketing Scheme: Referring to loss of the British market for apples, Judson Shaw, retiring president of Falmouth Fruit Co-operative Ltd., at the annual meeting in Windsor said he was hopeful that a marketing scheme will be worked out suitable to the locality. He urged orchardists to "grow apples everyone wants to eat." Manager George Wilson expected that "something may be worked out with the Government by the time the season opens."

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New Brunswick

New Look at Billfish: Fisheries Research Board scientists at the Atlantic biological station, St. Andrews, N.B., plan to learn more this summer about billfish in St. Margaret's Bay, N.S. Behind the new survey is hope of establishing another successful branch of Maritimes commercial fishing. Billfish, known also as needlefish, saury and skipper, is wholesome food, grows to length of 18 inches, is found in immense schools from May through October. Development has been retarded by sporadic nature of its appearance from year to year, by difficulty in maintaining a constant supply. Small-mesh gill nets are one idea for increasing and standardizing the catch.

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Quebec

"By" Now for Gatineau?: Some political observers at Ottawa think the Government will lose little time in calling a by-election in the Quebec constituency of Gatineau where a Commons vacancy was created through appointment of the sitting member, Leon J. Raymond, as Clerk of the Commons. Gatineau constituency, formerly known as Wright, has been Liberal ever since Confederation, excepting the 1917 wartime election when a Labor candidate was elected.

Another Dam for Abitibi: Premier Maurice Duplessis said his government is considering construction of another dam at Rapid No. 1, Ottawa River, Abitibi and Temiskamingue districts. He said also that an additional 20,000 horsepower soon will be gained from Rapides Cadillac. These moves together will give the districts 64,000 additional horsepower for mining, industrial, commercial and rural needs.

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Ontario

Suspend 21% More Drivers: Suspensions of driving licenses in Ontario in the first six months of 1949, at 5,695, are up 1,003 or 21.5% over the 1948 period, according to a report from Highways Minister George Doucett. Convictions for (a) drunk driving jumped from 494 to 546; (b) operating with defective brakes, from 63 to 126; (c) improper passing, turning, signalling, etc., from 380 to 592; (d) careless driving, from 1,934 to 2,088; (e) criminal negligence, from 0 to 4; (f) motor manslaughter, from 2 to 7.

Farm Facelifting: For the first time in Canada a soil-conservation and farm improvement field day will be staged September 8 jointly by the Ontario County Crop Improvement Association, Ontario Agricultural College, Provincial Agriculture and Lands & Forest depts. It will be held on the farm of Heber Down, Highway 7, west of Brooklin. About 10,000 Ontario and Quebec farmers are expected to see demonstration of a complete five-year improvement and conservation program. Farm tool makers are providing equipment for contour plowing, diversion terrace construction, etc., the whole job, including house improvements to be done in a single day by a large working force.

Manitoba

Barley Scholarships: Barley Improvement Institute, established a year ago with Winnipeg headquarters and sponsored by brewing and malting industries, has established $19,200 of scholarships in universities of Manitoba, Saskatchewan, Alberta and British Columbia, Ontario Agricultural College and Macdonald College of McGill University. Director is T. J. Harrison, former Manitoba assistant to Canada's Board of Grain Commissioners. Part of the Institute's work is to conduct the annual National Barley Contest initiated by the industries in 1946. Object of the scholarships is speedup of research for better malting varieties.

Biggest Voters' List: Winnipeg will have the biggest voters' list in its history for civic election, October 26. A preliminary compilation shows more than 165,000 eligible, 62,500 more than in 1938. Then, the municipal franchise was restricted to property owners and tenants. By 1942 charter amendment this was extended and the list was boosted to 152,831.

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Saskatchewan

Work-and-Wages Program: Aid for province's poor crop areas, particularly the southwest district, will be provided through a work-and-wages program being inaugurated by Municipal Affairs Minister L. F. McIntosh. Projects include reclamation work, repairs to larger schools, roadbuilding and improvement. Provincial Government will pay 60% of wage costs, municipalities to bear cost of materials and 40% of wages. Largest demand has come from municipalities of the Swift Current district.

Fodder Freight Subsidy: Agriculture Minister Nollet announced a 1949 emergency freight subsidy to offset threat of serious winter shortage of fodder in southwest and south central areas. Railway and truck freight refunds will apply on hay machinery and fodder itself, with applications subject to okay by a municipal secretary-treasurer or L.I.D. inspector, and accompanied by a receipted freight bill.

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Alberta

Bad Road Costs U. S. Dollars: An almost impassably gumbo-stuck 50-mile section on Alberta side of the new Mackenzie highway tied up 28 trucks, many of them southbound with tons of-ice-packed fresh fish including major shipments destined to U. S. markets. So bad was the road that Fishery Inspector Chester McEwan ordered cessation of fishing on Great Slave Lake and five companies hung up their nets—MacInnell Products Corp., Edmonton, whose fish are shipped south by water to Waterways for rail loading was the only one left operating. Reports received in Hay River, N.W.T., indicated that large quantities of fresh fish recently delayed in shipment over the Mackenzie highway had been rejected by U. S. contract buyers due to spoilage. If fresh fish freighting is halted for the rest of the season, a bad road could cost Canada up to 800,000 U. S. dollars, threaten a carefully built market.

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British Columbia

Coalition Support Gained: New figures showed the coalition government, in sweeping the polls at June 15 provincial election, got 60.5% of the 708,756 votes cast, an increase of 4.6% over the 1945 figures. CCF took 34.61% of total vote, 3% less than in the previous election. Other parties received 3.5%. Ballots rejected were 1.29%. Unofficial figures show coalition 428,779 votes, CCF 245,291, Union of Electors 2,789, Social Credit 11,536, miscellaneous 10,448, rejected 9,913.

New Ovens Boost Gas: Gas production capacity at British Columbia Electric Co.'s Vancouver Carrall Street plant reached highest peak—17.7 million cu ft.—with addition of 24 new ovens valued at $750,000 and able to make over 2.7 million cu. ft. of gas a day. New ovens replace 24 old ones, six of which are being pulled out of service now. Sixty thousand tons of coke a year will be produced for B. C. Electric's carbureted water-gas plants in Vancouver and Victoria.

DIVIDEND NOTICES

KERR-ADDISON GOLD MINES LIMITED
(No Personal Liability)
INTERIM DIVIDEND NO. 55

Notice is hereby given that an interim dividend of fifteen cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on Wednesday, September 28th, to shareholders of record at the close of business on Wednesday, August 31st, 1949.

By Order of the Board,
G. A. CAVIN,
Secretary.
Toronto, Ontario,
August 18th, 1949.

SILKNIT LIMITED
DIVIDEND NOTICE

Notice is hereby given that a dividend of 1¼%, Fifty Cents (50c) per share, has been declared on the 5% Cumulative Preference Shares of $40.00, par value of the Company, payable on the fifteenth day of September, 1949, to shareholders of record, Thursday, the first day of September, 1949.

By Order of the Board.
H. T. BURGESS,
Secretary.

SILKNIT LIMITED
DIVIDEND NO. 6

Notice is hereby given that a dividend of Fifteen Cents (15c) per share has been declared on the Common Shares of the Company, payable on the fifteenth day of September, 1949, to shareholders of record, Thursday, the first day of September, 1949.

By Order of the Board.
H. T. BURGESS,
Secretary.

WOOL COMBING CORPORATION OF CANADA LTD.

A quarterly dividend of forty cents (40c) per share on the outstanding shares of the par value of five dollars ($5) each of the Company has been declared payable October 10, 1949, to shareholders of record September 23, 1949.

Dated at Toronto this 12th day of August, 1949.
D. A. McINTOSH,
Secretary.

Fibre Products of Canada Limited
COMMON STOCK DIVIDEND No. 5

Notice is hereby given that a regular quarterly dividend of 20c per share on the common stock of the company, has been declared payable on September 21st, 1949, to stockholders of record September 1st, 1949.

By Order of the Board,
W. GOLDSTEIN,
Secretary.

NOTICES

NATIONAL PETROLEUM CORPORATION LIMITED
NOTICE TO SHAREHOLDERS

Notice is hereby given that the Thirteenth Annual General Meeting of the shareholders of National Petroleum Corporation Limited will be held at the Company's registered offices in the Leeson-Lineham Building, in the City of Calgary, in the Province of Alberta, on Wednesday, the 31st day of August, A.D., 1949, at the hour of 10:30 o'clock in the forenoon.

The Transfer Books of the Company will be closed from the 17th day of August, A.D., 1949, both days inclusive.

DATED at Calgary, Alberta, this 10th day of August, A.D., 1949.

By Order of the Board of Directors.
R. L. ABRAM,
Secretary-Treasurer.

Shares may be registered with the Company's Transfer Agents, Prudential Trust Company Limited, at their offices in Calgary, Alberta; Vancouver, British Columbia; Toronto, Ontario; and Montreal, Province of Quebec.

May Close Sulphite Mill at Bowaters

MONTREAL (Staff)—Possible shutdown of Bowater's Newfoundland Pulp and Paper Mills' sulphite mill at Corner Brook, Nfld., was foreseen last week by H. M. S. Lewin, vice-president and general manager. Reasons: virtual elimination of United Kingdom market for Bowater's sulphite pulp output due to dollar difficulties, plus recent price decline of $25 a ton.

Improvements last year stepped up the company's sulphite pulp capacity from 35,000-40,000 tons annually to 55,000 tons. Now the company may be forced to shut down this part of its productive capacity altogether at the end of this year, Mr. Lewin told the Newfoundland Federation of Labor.

No curtailment is expected in newsprint operations, increased last year to the world's record for a single unit at 300,000 tons annually, but Mr. Lewin warned that this market is again becoming highly competitive.

Wheat Crop Equals 1948, Acreage Up, Yield Down

(Special Correspondence)

WINNIPEG — This year's spring wheat crop may almost equal that of last year, 363 million bushels. Average yield per acre, however, is considerably smaller, only slightly more than 13 bushels per acre as compared with 15.8 bushels per acre last year and a 10-year average of 16.9 bushels. It's countered by increased acreage, 26,490,000 as against 23,045,000 last year.

Both Manitoba and Saskatchewan will have considerably more wheat than in 1948; Alberta about 25 million bushels less than a year ago.

Current estimates are subject to change. Threshing results may disclose some error in the estimates. Also, some late crop, more particularly in Alberta, not now expected to mature, may yet experience weather that will ripen it in advance of killing frosts. In most areas, good weather has lifted estimates over those of June 30.

Practically all of Manitoba has a very good crop. In Saskatchewan, there is a tremendous contrast between remarkably good yields in the northeastern part of the province and disastrously poor yields in the south-western corner.

Want Export Wheat

The Canadian Wheat Board is understood to be making a keen demand for all wheat presently in export positions. Great Britain of course is buying against obligations to take a total of 140 million bushels during the crop year. The price is $2.05 per bushel, the 5 cents being added as an arbitrary estimate of carrying charges averaged for the year.

Domestic sales are being made on the same basis. A number of countries signatory to the international agreement have been buying at the stipulated maximum price of $1.80 per bushel, plus 5 cents for carrying charges. A few of such countries not embarrassed for dollars, are finding it more satisfactory at the moment to buy Canadian wheat than to make purchases in the United States. That country is finding it necessary to subsidize in order to meet its commitments under the international agreement and there is a certain amount of confusion as to the application of subsidy. Countries not signatory to the international agreement have to pay what is called the open export price for Canadian wheat which at the moment is about 20c. but higher than the international agreement price. The Wheat Board establishes this quotation on a competitive basis with the United States.

In the coarse grains market, oats and barley have been showing some weakness. At this time last year the cash market for such grains was strongbowing to a considerable export demand both from the United States and from overseas. That is nonexistent at the moment. At the same time, eastern buyers of such grain are showing a tendency to hold off, apparently in the belief that they may be able to buy more cheaply from the Canadian Wheat Board once that body begins to have a considerable quantity of new crop grain to sell.

Following its announced policy of making use of the futures market, the Wheat Board is believed to have made some moderate sales for future delivery. In addition, it is quoting flat prices for specific grades for September delivery on a basis which so far has been slightly in advance of the current spot quotations. So far however there is little indication that eastern buyers are any more ready to submit themselves for September business than they are for spot grain. The trade feels that oats and barley at current prices represent good value to buyers who will feed such grains, but presumably not until eastern buyers feel the need of supplies will the market tone strengthen.

Order Houses For Edmonton

From Our Own Correspondent

EDMONTON—Work is to start next week on construction of 250 more subsidized rental houses here, and 100 for married air force and army personnel at Namao, 8 miles north, at about $2.5 millions or average $7,143 per unit. Bennett & White Ltd., here, holds contract for the 100 at Namao and for 184 of the Edmonton houses. Shoquist & Wicklund Construction Co., Calgary, is handling the balance of 66 houses here. Contracts were awarded by Ottawa's Central Mortgage & Housing Corp.

At Namao, 50 houses are already under construction for fall completion. On completion of the additional 66 now being started, two RCAF squadrons now based in Edmonton will have been moved into the new "military village."

Start on the Edmonton houses launches the city's first "planned neighborhood" of subsidized low-rent houses. It will be on the curved-street plan favored by architect-town planners. Edmonton already has hundreds of houses built under the Dominion-municipal subsidy scheme but to lower standards of siting and construction.

Grain Prices

Winnipeg Grain Futures

Week to Aug. 15, 1949

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Aug. 15
		Oats			
.74¼	.72½	Oct.	.74¼	.72½	.72½
.73½	.69⅞	Dec.	.73½	.70½	.70⅝
.71⅝	.69⅝	May	.71⅝	.69⅝	.69⅞
		Barley			
1.20⅝	1.15½	Oct.	1.20⅝	1.15⅞	1.16⅛
1.16½	1.10⅝	Dec.	1.16½	1.11⅝	1.11⅝
1.14⅛	1.09⅛	May	1.14⅛	1.10⅝	1.10⅝
		Rye			
1.42⅞	1.31¼	Oct.	1.40⅞	1.31¼	1.31⅝
1.42⅝	1.31¼	Dec.	1.40⅞	1.31¼	1.31½
1.45¼	1.33⅞	May	1.43	1.33⅞	1.34⅞

Cash Quotations

	For Week Aug. 15 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.76¼	.73	.77⅞	.75¾
3 C. W.	.75¼	.70⅛	.77⅞	.73⅜
Barley				
1 Feed	1.25⅝	1.20⅛	1.28⅞	1.22½
2 Feed	1.25⅝	1.20⅛	1.25⅝	1.21⅛
Rye				
2 C. W.	1.37⅞	1.29⅝	1.40	1.35⅛

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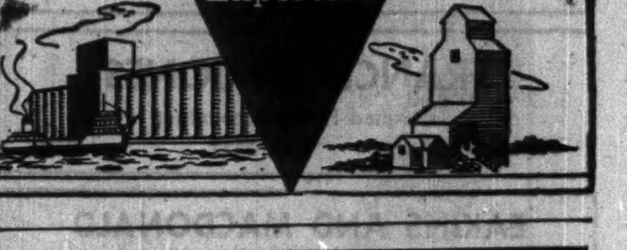

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Insurance Law Revision Proposals Aim at Modernizing Policy Contracts

Revision of the provincial laws affecting property insurance is probably the most important topic on the agenda of the 1949 annual conference of the provincial superintendents of insurance to start at St. Andrews-by-the-Sea, Sept. 6.

Law revision has been under study by the superintendents for some years now. Most approaches to the subject met considerable diversity of opinion from various quarters.

There has been almost general agreement that the uniform insurance acts affecting property needed clarification. It has been hoped to make these laws more nearly uniform.

One plan was to eliminate to a large extent the statutory conditions now found in the standard fire insurance policy. This was to be done by transferring much of the material in the statutory conditions to the general contract law, making the remaining statutory conditions as broad as possible and giving them a more prominent place in the policy.

Retain Statutory Conditions

Desires voiced by some previously, that the statutory conditions in property insurance contracts be eliminated as far as possible, have given way to other suggestions that statutory conditions to retained. But the opinion is also fairly widespread that these statutory conditions be made applicable to all classes of property insurance.

By property insurance is meant all classes of insurance except life, accident and sickness, liability, automobile, marine and suretyship.

The insurance superintendents' law revision committee has had the co-operation of a committee appointed by the Canadian Bar Association. The superintendents' joint committee regards its duty is to draw the attention of interested parties to conditions requiring attention, making some suggestions and then putting the responsibility for final action on those who want and need insurance law reform.

Suggestions gathered have ranged from:

1. Retention of the present statutory conditions in the fire insurance contract, with other perils being included by a supplemental contract;

2. Greater freedom of contract;
3. Adoption of a statutory fire policy similar to the New York Fire policy for those interested primarily in fire insurance, with a multiperil policy not being restricted by the standard form, although some deviation from the standard cover might be required;

4. Modernization of the present fire statutory conditions and making these applicable to all policies of property insurance.

Modernization Favored

Suggestion No. 4 is the one believed most favored.

The conference, accordingly, will be asked to consider the following suggestions:

(a) Establish two groups of statutory conditions or provisions as follows:

1. General conditions or provisions applicable to all policies of property insurance. They could deal with misrepresentation, the effect of the application, material change, other insurance, termination, fraud, arbitration, action against the insurer, notice, subrogation and relief from forfeiture.

2. Conditions applicable to fire policies wherever that peril forms any part or all of the risk. These could be the clauses which limit the risk, risks not covered except by special permission, salvage insurance on goods removed, entry and abandonment, proof of loss, replacement, etc.; in other words, those conditions peculiar to fire.

—OR—

(b) Establish one set of statutory conditions applicable to all policies of property insurance including therein additional statutory conditions so designated as being applicable to fire insurance only.

It is suggested, therefore, that each of the present Fire Statutory Conditions as set out in Appendix "A" be considered as to:

(a) Its modernization;

(b) Whether it should be transferred to the Insurance Act;

(c) Whether it should be placed in a new group of general conditions which will be applicable to all policies of property insurance, as referred to in the above suggestions.

The joint committee in its report takes up each of the 24 statutory conditions in the standard fire insurance policy, giving in most cases the corresponding provision in the British form or the New York state law.

Many of the statutory conditions in the fire policy, it believes, should be made applicable to contracts for other lines of insurance.

Bank Debits Up For Six Months

Increases Shown in All Five Economic Areas for June and Half Year

Reflecting a high degree of economic activity in Canada, bank debits, (cheques cashed against individual accounts) showed an increase in June of 11.5% over the same month last year.

Total bank debits were over $7.2 billions, and the gain was spread over all five economic areas: Maritimes and Newfoundland 48.1%; Quebec 8.6%; Ontario 10.2%; Prairies 13.4%; British Columbia 13.4%. Largest percentage gains in individual centres were Moncton 39.6%; Lethbridge 33.5% and Halifax 30.2%.

For the first half of the year, total bank debits were $41.2 billions, 8.3% above the 1948 level for the same period. Gains by economic areas were: Maritimes and Newfoundland 13.0%; Quebec 4.6%; Ontario 5.9%; Prairies 20.0% and British Columbia 9.1%. Monthly comparisons follow.

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS
(Millions of $ in June)

Prov. and Clearing House Centres:	June 1949	May 1948	June 1948
Maritimes & Nfld.:			
Halifax	100.0	86.7	76.8
Moncton	38.5	30.4	27.6
Saint John	42.0	41.4	42.7
St. Johns	37.4	35.1	...
Total	217.9	193.6	147.1
Quebec:			
Montreal	1,872.9	1,693.2	1,694.6
Quebec	185.2	181.4	200.4
Sherbrooke	25.3	23.9	23.9
Total	2,084.4	1,898.5	1,918.9
Ontario:			
Brantford	37.6	44.7	32.3
Chatham	24.8	23.2	20.2
Fort William	20.7	20.1	19.2
Hamilton	200.3	184.6	161.3
Kingston	22.9	18.8	20.0
Kitchener	42.6	41.5	37.3
London	108.4	93.0	89.1
Ottawa	307.4	286.4	249.7
Peterborough	25.2	23.7	21.9
St. Catharines	35.5	31.8	31.5
Sarnia	27.9	24.9	28.3
Sudbury	22.7	22.5	19.5
Toronto	1,975.7	1,974.8	1,862.5
Windsor	128.7	117.2	109.8
Total	2,979.9	2,907.3	2,703.4
Prairies:			
Brandon	12.5	12.3	10.9
Calgary	207.2	186.9	164.5
Edmonton	160.1	153.2	138.3
Lethbridge	21.9	20.6	16.4
Medicine Hat	8.9	8.7	7.9
Moose Jaw	21.1	22.2	17.8
Prince Albert	10.1	10.0	9.3
Regina	108.8	115.9	99.5
Saskatoon	41.5	39.0	38.3
Winnipeg	689.2	750.9	626.3
Total	1,281.3	1,319.9	1,129.4
British Columbia:			
New Westminster	28.1	26.5	26.5
Vancouver	538.5	488.5	458.3
Victoria	86.1	80.4	90.8
Total	652.7	595.4	575.7
Total for Canada	7,216.2	6,914.9	6,474.5

QUESABE MINES has started drill hole No. 42 to test "C" anomaly 1,800 ft. west and north of shaft area, company states. In underground development, backs are being taken down and stopes prepared on the 450- and 600-ft. levels.

FIDELITY Insurance Company of Canada
Consult your agent or broker as you would your doctor or lawyer
TORONTO

BANK OF CANADA

	Aug. 10 1949 $	Aug. 3 1949 $
Liabilities		
Capital paid up	5,000,000	5,000,000
Rest. fund	10,050,367	10,050,367
Notes in circ.	1,273,948,512	1,275,064,796
Deposits: Dom.	154,153,989	113,731,801
Chart. banks.	542,839,188	566,676,320
Other	65,180,937	64,025,028
Total deposits	762,174,114	744,423,149
Liabs. payable in sterling U. S. A. and for'n gold currencies:		
(a) to gov. of Can.	70,752,238	67,667,757
(bk) to other	22,526	22,527
Total	70,775,764	67,690,284
All other liab.	22,306,106	18,076,383
Total liabs.	2,144,254,865	2,120,314,989
Assets		
Sterling & for'n	65,775,764	62,690,284
Other curr.	41,958	48,658
Total	65,817,722	62,738,942
Subsid. coin	199,034	185,526
Investments:		
Govt. sh. term	1,513,457,220	1,503,166,824
Oth'r gov. sec.	493,507,380	498,950,844
Other secs.	5,000,000	5,000,000
Total invest.	2,011,964,600	2,007,117,667
Total share cap. at cost	25,000,000	25,000,000
Premises	3,191,509	3,191,002
All other assets	38,081,880	22,081,850
Total assets	2,144,254,865	2,120,314,989

Alberta Hotelmen Want Mixed Drinking Allowed

CALGARY — Mixed drinking, for many years banned in Calgary and Edmonton beverage rooms, has been approved by the Alberta Hotelmen's Association, in annual convention here, and the association has been urged to take joint action with the Alberta culinary workers, bartenders and hotel service employees to have the ban removed.

Hotelmen will be asked to meet with the culinary workers' representative to discuss the formation of a joint application to be submitted to the Alberta Liquor Control Board.

FACTORIES are growing in AUSTRALIA
The Bank of New South Wales booklet — "Investment Opportunities in Australia" — deals with both the establishment of factories and the purchase of securities. Obtain a free copy from your bank or direct from
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Many of today's top executives were on their way up when they first took advantage of this invitation in 1937. Through the years they have learned the importance of the Bank's services to their operations . . . the value of full, frank discussion with their Royal Bank Manager.
The invitation stands.
We welcome the opportunity to serve today's young executives—to discuss their problems and to aid in the development of their plans.
THE ROYAL BANK OF CANADA
Credit Reports
Market Information
Plant Location
Collections-Remittances
Business Introductions
Letters of Credit

Position of Chartered Banks of Canada as of June 30, 1949, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Governments $	Advances from Bank of Canada Secured $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits in Canada in currencies other than Canadian $	Deposits Elsewhere $	Bal. due to other banks in Canada $	Due to banks in U. K. $
Montreal	3,738,961	123,927,702	41,767,299	....	609,280,600	1,062,996,634	13,929,838	82,171,864	22,206,471	9,884,740
Nova Scotia	1,278,142	23,669,049	2,878,505	....	190,549,018	403,269,827	6,083,860	82,531,653	5,440,043	1,887,869
Toronto	581,346	24,679,001	3,408,102	....	120,386,577	261,196,008	827,303	....	5,019,532	3,455,998
Provincial	269,023	2,958,634	567,602	....	32,172,024	109,310,091	33,459	....	2,324,674	....
Commerce	3,066,654	63,165,733	32,643,919	....	433,291,481	799,988,331	13,191,036	97,794,294	11,995,616	8,008,071
Royal	3,962,992	70,636,725	41,687,828	....	588,096,571	926,049,870	34,616,509	369,728,745	14,216,384	7,320,606
Dominion	520,649	24,184,467	1,834,707	....	109,814,267	212,040,296	5,463,097	9,403,553	3,639,038	2,268,053
Nationale	563,092	13,544,976	2,915,875	....	93,375,439	287,336,601	747,178	....	3,948,477	101,505
Imperial	723,902	18,279,375	38,909,134	....	134,980,541	258,181,609	2,926,715	....	5,296,511	3,277,936
Barclays	51,290	2,251,051	42,841	....	7,482,262	9,400,333	2,517,522	....	636,549	4,609,401
Total	14,749,051	367,397,113	166,655,312	....	2,319,378,770	4,329,769,600	80,326,657	641,629,809	74,723,235	37,474,179

NAME OF BANK	Due to Banks Elsewhere $	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $	Capital Authorized $	Capital Subscribed $	Last Dividend %	†Loans to Directors and firms of which they are partners $	Greatest Amount of Notes in Circ. $	Bills rediscounted with Bank of Canada $
Montreal	20,986,282	32,705,243	1,543,006	27,387	44,000,000	36,000,000	2,105,103,782	50,000,000	36,000,000	8	542,973	3,791,106	....
Nova Scotia	4,770,629	26,305,856	467,834	384,898	24,000,000	12,000,000	785,199,687	15,000,000	12,000,000	12	2,694,146	1,292,255	....
Toronto	1,347,095	2,777,279	18,800	4,610	14,000,000	6,000,000	443,881,886	10,000,000	6,000,000	12	415,292	557,081	....
Provincial	46,515	283,076	62,298	10,078	2,000,000	4,000,000	154,037,678	5,000,000	4,000,000	6	124,336	275,263	....
Commerce	12,162,413	57,243,096	616,509	624,600	30,000,000	30,000,000	1,690,791,760	50,000,000	30,000,000	8	1,765,017	3,000,336	....
Royal	45,296,937	42,888,689	3,686,835	82,028	44,000,000	35,000,000	2,233,270,455	50,000,000	35,000,000	10	3,089,838	4,003,541	....
Dominion	1,902,037	9,086,751	178,362	177,865	10,000,000	7,000,000	397,503,746	10,000,000	7,000,000	10	299,441	829,874	....
Nationale	616,482	685,922	58,452	19,000	7,000,000	7,000,000	417,910,496	10,000,000	7,000,000	8	732,231	868,292	....
Imperial	3,493,981	7,661,726	176,100	213,288	10,000,000	7,000,000	491,429,026	10,000,000	7,000,000	12	468,751	730,197	....
Barclays	3,757,386	2,045,948	11,338	....	750,000	1,500,000	35,008,925	1,500,000	1,500,000	....	....	55,245	....
Total	94,255,319	187,886,586	6,817,051	1,533,452	185,750,000	145,500,000	8,653,838,186	211,500,000	145,500,000	....	9,131,863	14,893,380	....

†And loans for which they are guarantors

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada $	Gold and Subsidiary Coin held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes and Cheques on other Banks $	Govt. and Bank Notes other than Canadian $	Balances due by other banks in Canada $	Due by banks in U. K. $	Due by banks elsewhere $	Dom. Gov. Short Term Sec. $	Dom. Gov. Long Term Sec. $	Prov. Gov. Short Term Sec. $	Prov. Gov. Long Term Sec. $	Canadian municipal securities $
Montreal*	2,353,252	11,425	35,813,160	108,054,393	103,449,088	1,617,197	4,340	5,877,327	28,424,318	299,092,821	567,247,905	33,817,015	93,457,082	45,539,190
Nova Scotia	916,474	866,402	16,821,663	38,976,373	48,848,491	14,589,735	1,363	428,961	11,816,561	72,247,852	173,402,984	5,223,588	15,073,634	7,857,485
Toronto	851,487	....	7,517,300	30,819,408	22,169,074	402,981	....	1,423,497	4,773,431	49,126,619	140,652,782	3,897,290	15,281,425	6,991,817
Provincial	464,746	....	4,426,810	7,943,485	7,083,507	161,980	....	7,293	1,144,433	15,430,249	24,160,100	2,532,530	20,003,337	8,147,764
Commerce†	1,827,001	157,451	22,081,131	101,494,707	51,610,440	2,185,823	181,165	[illegible]	27,377,801	184,916,708	464,804,801	19,714,483	41,367,560	19,440,884
Royal‡	[illegible]	1,753,398	[illegible]	126,918,257	100,331,455	68,837,795	29,036	13,706,439	62,748,108	222,514,878	625,096,518	13,229,249	77,628,677	36,028,806
Dominion	890,705	310	4,400,302	34,537,730	18,574,107	342,096	1,491	2,257,747	6,621,019	56,920,944	70,090,723	519,735	5,193,434	6,503,267
Nationale	1,146,958	....	12,567,833	24,897,648	19,333,783	328,274	4,324	68,554	1,826,849	58,560,942	71,304,229	2,606,087	39,207,710	15,736,600
Imperial	960,422	....	10,803,405	28,128,904	21,759,796	823,048	760,800	796,902	5,082,047	60,912,843	148,401,161	1,559,928	7,189,128	6,974,637
Barclays	19,030	....	297,808	4,574,500	1,041,234	16,996	170,354	530,243	1,937,353	1,633,630	4,876,823	572,132	5,168,198	990,422
Total	10,980,466	2,788,982	154,848,660	563,345,400	393,995,974	89,906,108	1,153,083	26,690,323	151,730,100	990,374,886	2,193,477,373	88,872,047	319,544,185	154,279,939

NAME OF BANK	Public Securities other than Canadian $	Other bonds and stocks $	Call and short loans in Canada $	Call and short loans elsewhere $	Current loans in Canada $	Current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-current loans $	*Real estate other than Bank premises $	Bank Premises $	Deposit for note circulation $	Other assets $	aTotal assets $
Montreal*	55,930,928	127,435,141	9,836,314	21,907,382	[illegible]	16,323,186	3,407,048	18,134,046	687,210	300,358	17,806,268	298,851	3,142,884	2,105,045,009
Nova Scotia	8,373,268	25,440,079	18,114,140	9,115,896	[illegible]	46,181,366	3,042,163	7,787,064	66,366	4,033	8,402,348	87,848	4,497,806	787,334,401
Toronto	....	15,699,447	4,131,841	....	138,457,416	....	2,914,043	7,098,384	22,878	8,628	5,486,804	33,319	63,286	444,696,464
Provincial	....	8,281,380	4,554,071	....	[illegible]	....	84,268	2,369,225	17,206	67,868	2,092,339	17,632	323,702	154,480,009
Commerce†	48,466,292	72,442,073	10,981,781	16,684,438	[illegible]	96,882,158	22,145,463	12,050,372	446,644	278,388	17,012,283	200,000	4,811,479	1,693,680,809
Royal‡	117,880,289	122,038,251	18,143,481	42,638,906	[illegible]	113,007,375	1,902,937	9,093,090	271,470	285,114	13,023,541	217,180	7,481,079	2,234,809,247
Dominion	3,674,492	7,631,728	3,200,399	4,290,348	[illegible]	1,880,473	387	3,697,948	35,380	46,839	3,134,509	35,857	432,047	398,548,264
Nationale	691,576	16,526,843	2,245,174	....	133,956,487	....	....	9,307,733	21,820	250,111	6,868,898	34,315	400,821	418,896,011
Imperial	1,997,791	11,964,184	5,374,695	....	184,366,737	....	178,139	5,673,371	33,317	....	6,521,167	44,821	71,724	492,944,808
Barclays	2,968,360	250,000	385,350	....	6,198,418	....	....	190,700	776	....	1,862,828	4,319	14,881	35,149,364
Total	239,981,368	409,929,126	72,123,816	94,238,420	2,064,777,807	214,733,266	33,064,483	75,398,873	1,531,852	1,257,138	84,110,967	941,269	20,947,942	8,638,433,252

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

*Includes mortgages.

aIncludes $187,886,586 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

THE WEEK'S QUOTATIONS

Montreal and Toronto, Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING AUGUST 12

Range 1949 High	Low	Div. R'te $	Aug. 12 Y'ld %	Stock	Sales	Last Aug. 5	Week end. Aug. 12 H	L	Cl'se
28	17½	■1.62½	..	Fraser Cos.	1485	17½	19½	19½	19⅞
98½	96½	4.75	4.9	Do. pref.	5	97½	97	97	97
92	85	4.00	4.4	Gair of Can.	5	90	91	91	91
18	15	1.20	7.4	Gatineau Pwr.	45	16½	16½	16½	16½
106½	100½	5.00	4.9	Do. pref.	140	103	103½	103	103
110⅞	108½	5.50	5.0	Do. 5%	5	108½	110	110	110
2.75	1.55	..	..	Gen. Bakeries	625	2.00	2.25	2.00	2.25
20	16½	1.00	5.0	Gen. Prod. A	121	19	20	20	20
15½	13	.80	5.6	Gen. St. Wares	425	14½	14½	14½	14⅞
102½	99½	5.00	5.0	Do. pref.	20	100	100	100	100
53½	50½	2.00	3.9	Goodyear T. p.	127	50½	51½	51	51½
10⅞	9½	.50	5.0	Gor MacKay A	1615	9⅞	10	10	10

Mining Stocks

Week Ended August 12

Range 1949 High	Low	Div. Rate $	Aug. 12 Yield %	Company	Sales	Last Aug. 5	Week Ending Aug. 12 High	Low	Close
.68	.16	....	....	Anacon L'd.	15,200	.29	.30	.27	.27
10.75	8.65	▼.25	....	Anglo-Hur.	300	9.35	9.70	9.55	9.60
.48	.22½	....	....	Anglo-Rou.	24,700	.45	.46	.44	.45
.07	.02½	....	....	Ansley	77,300	.05½	.05½	.04½	.05½
.15	.05	....	....	Aquarius	6,500	.13	.13½	.12	.12
.23	.10	....	....	Area	2,500	.13	.15	.12	.12
.30	.08	....	....	Arjon	13,600	.22	.22½	.21	.21
.14½	.08½	....	....	Armistice	3,500	.11	.12	.11	.12
.09½	.03	....	....	Ashley	16,000	.04	.04½	.04	.04
.18	.09	....	....	Athona '37	26,900	.12	.15	.12½	.13

Range 1949 High	Low	Div. Rate $	Aug. 12 Yield %	Company	Sales	Last Aug. 5	Week Ending Aug. 12 High	Low	Close
.60	.37	....	....	Moneta	11,300	.45	.45	.43	.43
.12	.05½	....	....	Mylamaque	4,500	.07½	.08½	.07½	.07½
.84	.60	....	....	Nechi Cons	2,500	.77	.83	.77	.83
2.63	1.95	....	....	Negus M.	8,700	2.45	2.50	2.35	2.40
.15	.06½	....	....	N. Alger	8,733	.08½	.08½	.08	.08½
2.35	.84	*.20	....	N. Calumet	17,400	1.27	1.35	1.29	1.29
.31	.18	....	....	N. Goldvue	4,625	.30	.27	.24	.27
.75	.47	....	....	N. Jason	9,133	.60	.60	.58	.58
.23	.05	....	....	N. Marion	3,000	.08½	.09	.08½	.08½
.06	.03	....	....	Newnorth	1,000	.03½	.04	.04	.04
.18	.03	....	....	N. Norzone	3,500	.04½	.04½	.04½	.04½

Oil Stocks

Range 1949 High	Low	Div. Rate $	Aug. 12 Yield %	Company	Sales	Last Aug. 5	Week Ending Aug. 12 High	Low	Close
.04½	.01	....	....	Richfield	5,000	.01½	.02½	.02½	.02½
.30	.23	....	....	Roxana	7,800	.24½	.25½	.21½	.25
.13	.06	....	....	Royal Can.	4,000	.08	.07	.06½	.07
7.10	5.85	▼.19	....	Royalite N.	14,955	6.50	6.65	6.50	6.60
.15	.05½	....	....	Share Oils	5,000	.06½	.07	.07	.07
.23	.10	▼.10	....	So. Brazeau	63,100	.14	.15½	.14	.15
.20	.12	†.01½	....	Sunset	15,625	.18½	.18½	.17	.17
.53	.31	....	....	Superior	8,100	.32	.35	.31	.35
.47	.29	....	....	Tower Pet.	4,000	.35	.37	.36	.37
.35	.08	....	....	Turner V.	3,000	.08	.15	.15	.15
.17	.08	....	....	United Oils	9,630	.08½	.09½	.08	.09
.20	.05	....	....	Warner	3,000	.06	.05½	.05½	.05½
.12½	.06	....	....	York Oils	2,000	.06	.08	.08	.08

* N. Y. funds. ■ Extra. § Paid in 1947. † Paid in 1948. ▼ Paid or payable in 1949.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Aug. 15	65,400	708,000	149,745	40,765	880,000
Aug. 13	......	......	......	......	....
Aug. 12	94,700	636,000	129,025	52,720	980,000
Aug. 11	135,000	657,000	115,395	41,330	1,260,000
Aug. 10	347,800	886,000	135,160	63,187	1,590,000
Aug. 9	175,000	1,218,000	79,256	45,730	1,410,000

STOCKS NOT TRADED THIS WEEK

Stock	Div. rate $	Last sale	Aug. 12 Bid	Ask
Ang. Nfld.	■1.00	15	..	15
Ashdown Hdwre.	.60	11⅞	11⅞	13
Assoc. T. & T. A.	..	17⅞	..	..
Ault & Wiborg pf	5.50	104½	103⅞	..
Auto Electric	■.30	5½	4	5½
Do. A	.50	6½	7	8
Barcelona	..	2.00	..	1.00
Bates & Innes	1.00+†.10	14½	14½	16
Beaver Lumb.	1.00+■.50	25	21½	27
Do. A	1.00	17½	17½	18½
Belding Cort.	6.00+■1.00	165	160	..
Do. pref.	7.00	163½	163½	175
Belgium Glove	.60	8½	8	..
Do. pref.	1.00	17	16	17
Bertram & Sons A	1.00	16½	17	20
Do. B	.20	6	6	7
Biltmore Hats	.40+■.10	6½	6½	9
Do. A	1.00	17	..	17
Blue Ribbon pref.	2.50	49½	50½	54
Blue Top Br. B	■1.00	25	25	35
Bowes Co. A	.50	9	9	9½
Do. B	■1.50	26½	26	30
Brand, Hender	..	10	10	..
Brand, Cord.	.50	9	9	9½
Brant. Roof.	■1.00	16	15½	18
Brazilian Tr. pref.	6.00	110	100	..
Bright, T. G.	1.00	23	20	23
B. C. Elec. 4% pf.	4.00	87½	87	87⅞
B. C. Packers B	.50	6	6	6½
B.C. Pulp & Pa. pf	‡7.00	146	145	151
B. C. Turf.	..	.38	.37	..
Burnett Ltd.	..	3.00	1.00	2½
Caldwell Linen	.80+■.20	14½	13½	14
Do. 1st pref.	1.50	29½	29	30
Do. 2nd pref.	.80+■.20	16	16	16½
Canada Bread	.10	2	2	3½
Do. pref. B	2.50	40	40	45
Can. Cr. Stone	.60+■.10	8½	10½	..
Can. Flooring B	.60	14	..	..
Can. Forg. A	1.30+■.46	25½	25½	28
Do. B	■1.50	40	35	..
Can. Iron	.80	18	16½	19
Do. pref.	.60	15½	..	..
Can. Machine	.50	5½	5	5½
Can. Perman.	8.00	184½	190	195
C. Varnish 5% pf.	1.25	23	19⅞	23
Can. Wire Cable A	4.00	78½	79⅞	81
Can. Bronze pref.	5.00	105	100	..
Can. Convert. A	.75	10	8½	12
Do. B	..	13	10	..
Can. Fairb. pref.	6.00	130	..	..
Can. Gen. Electric	8.00	225	225	235
Can. G. Sec. A	■1.50	50	37½	50
Do. B	■1.50	20	37½	..
Can. Ice Mach. A	.80	12½	..	12½
Can. Indust. pref.	7.00	171	..	..
Can. Ingersoll-R.	■3.50	65⅞	..	..
Can. Int. I. Tr.	..	3.50	3.50	..
Do. pref.	‡5.00	87	..	99
Can. Lt. & Pr.	..	24	23	..
Can. Oil 4% pref.	4.00	84	..	82½
Can. Silk	1.50	21½	22½	25
Can. Wallpaper A	■1.00	16	12	16
Do. B	■1.00	15	12	16
C. Wire Box A	1.50	23⅞	21⅞	23⅞
Catelli Food	■.75	30	30	..
Do. pref.	.75	15	15	..
Celtic Knit.	.30+■.20	6	6	..
Cent. Can. L'n.	8.00	202	201	..
Cent. Nor. Air. A	•	5.00	..	6.50
Do. B	..	2.00	..	3.00
Chart. Trust	■1.50	27⅞	27⅞	..
Chatco Steel	■.75	9	8½	9
Do. pref.	.50	5½	6	7
Ch. Gai Wines	■.75	8	8	8½
Cinzano A	4⅛d	1.00	1.00	..
Do. 5½% pref.	5½%	4	4	5
Circle Bar Knit.	..	7	7	9
Do. A	1.00	13	14	16
Claude Neon pref.	..	60	60	70
Cochrane-Dun. A.	.80	13½	13½	14
Do. pref.	1.20	24	23½	25
Coll. Terminal	.25	7½	7	9
Do. pref.	.23	7½	7	9
Cons. Div. Sec. A	..	.30	.25	..
Do. pref.	1.00	15	15½	..
Cons. Fire Co.	..	5	5	..
Cons. Press B	..	2.00	1.50	3.00
Corr. P. Box 5% pf	5.00	100	100	103
Craig Bit pref.	.50	8½	8½	9
Crain R. L.	.40	6½	6½	7
Cres. Cream pref.	■5.00	55	..	60
Crown Cork	2.00	34	35	..
Crown Trust	5.00	115	115	117
David & Fr. A	‡1.00	29½	..	30
De Havilland A	..	15	14	17
Disher Steel	■.30	10⅞	8½	9½
Do. pref.	1.50	23½	23	24
Dom. Ang. I.	■5.00+5.50	120	99½	..
Do. pref.	5.00	95½	92½	..
Dom. Dairies	■.25	8	7½	8½
Do. pref.	1.75	19	19	20½
Dom. Electro	..	3	..	3
Dom. Engineer.	3.00	43	43½	47
Dom. Fabrics	.80	12	..	11
Do. pref.	3.00	53	52	..
Do. 2nd pref.	1.50	21	22	25
Dom. Fire	6.00	100	147	..
Dom. Malting pf.	5.00	100⅞	100½	100½
Dom. Scot. I. pref.	■1.25	41½	41½	44½
Dom. Square	2.00	54	50	60
Dom. Tar & Che. V.T.	1.00	23	20	23
Dom. Textile pref.	7.00	168	167	..
Donnell & Mudge	■.20	5	..	6
Do. A	1.00	12	10	10½
Donohue Bros.	1.00	18⅞	..	16½
East Koot. Pr.	..	2	2½	2½
East. Theat.	■1.00	25	22½	..
Empire Brass A	1.00	19½	19½	20
Enam. Heat.	1.00	14½	14½	..
Equitable Life	.50	10⅞	10½	11
Esmond Mills	1.00	16	15⅞	17½
Federal Fire	2.00+■.25	51	51	..
Fibre Products	.80	9½	9	9
Fittings	..	7½	7½	8
Do. A	.60	12	12	12½
Fleury Bissell	..	6½	..	5½
Do. pref.	1.00	16	..	15½
Ford Motor B	‡1.00	24½	24	26
For. Pr. Secs.	..	.20	.05	.20
Do. pref.	..	4	10	6
Freiman	.60+■.25	9	6	7½
Do. pref.	4.50	86	..	91
Gen. Products B	1.00	17½	18½	..
Do. pref.	5.00	100	100	..
Goodyear Tire	■2.00	89	85	89
Gord. Belyea	2.50	57	54½	..
Gord. Mackay B	1.00	20⅞	20	20½
Gould Pumps	■1.00	*65½	..	..
Grafton & Co. A	1.00	19	18⅞	19½
Grand & Toy	.60	16	16	..
Great West Felt	■.60	6	5⅞	7
Do. pref.	.50	6½	6⅞	7½
Great West Life	20.00	420	405	..
Gt. West Saddlery	..	10	10	10½
Greening Wire	.20	5	4½	5
Growers Wine	20.00	1.80	..	..
Guaranty Trust	3.00	126	126	127⅞
Hahn Brass	.60+■.20	11	10½	..
J. F. Hartz A	..	10½	9½	10½
Hayes Steel	†1.00	21⅞	..	..
Hendershot Pap.	1.00	10⅞	10⅞	14
Do. pref.	5.00	98	..	93
Hillcrest Coll.	..	.15	.18	.25
Holden Mfg. A	.60	8	..	11
Do. B	■.10	5	4½	5
Holt Renfrew	..	25	..	..
Do. pref.	..	100	100	101
Horner, F. W. pf.	.50	7	6½	8
Ho. De LaSalle	..	15	14	..
Hubbard Felt	.50	4	..	5
Do. A pref.	1.50	18	..	13
Humberstone S.	1.25	18	..	20
Hunts A	■.20	7	6⅞	7½
Do. B	■.20	9	7½	9
Huron & E. Mt. 20% pref.	5%	21	20½	21⅞
Imp. Varnish	1.00	16	15	16½
Do. pref.	1.50	31⅞	31½	..
In. Accept. 4¼% pf	4.25	84	80	85
Ingersoll M. & T.	.50	7	7	7½
Inter-city Bak. N.	..	..	..	16
Inter'c. Coal	■3.00	25	21	25
Do. pref.	8.00	121	..	121
Int. Mill. pref.	■4.00	100	..	..
Int. Nickel pref.	▲7%	145	140	..
Int. Paints	..	8½	4	8½
Do. pref.	1.20	23	..	23
Int. Pap. pref.	▲4.00	98	104	..
Invest. Found.	■.50	8½	8½	10
Do. pref.	3.00	49½	49	53½
Jam. Pub. Ser.	1.00	13	12	13½
Do. pref.	7.00	105	105	..
Journal Pub. Ot.	.80	14	..	14½
Kelvinator	2.00	30½	30	31
Lambert, Alf.	..	8	8	8½
Langleys	..	1.40	1.40	1.80
Do. pref.	..	50	45	47½
Ladson Jones A	1.00	18	17½	18½
Do. B	..	10½	10½	10½
Legare pref.	*■2.00	22	22	..
Levy Bros.	†.10	4⅞	5	..
Lindsay, C. W.	..	13	10	13
Do. pref.	■*4.00	115	..	..
Loew's Theatres	4.00	70	70	..
London Can. I. pf.	*5.00	70	70	..
London Hose.	.60+■.40	5	5	6
Mackin Steel	..	7	7	..
Do. pref.	5.00	90	90	..
Mailman Corp.	1.00	15½	..	15
Man. Sugar pref.	6.00	100	97½	102
M. L. Gardens	.50	15	15	15
Maritime Tele. pf.	.70	17⅞	18	18⅞
McBrine	1.00	17⅞	17½	17⅞
McCabe Grain B	.40	7	6½	7
Melchers	..	5	..	5
Do. pref.	.60	11	11	11½
Mexican Lt. pref.	..	5	4½	..
Mica of Canada	■.05	.75	.65	.68
Mitchell, J. S.	4.00+■.25	100	100	..
Mod. Contain. A	1.00	14⅞	14⅞	16½
Mod. Tool	..	4	..	4½
Monarch Knit.	1.00	11	..	12
Do. pref. 4½%	4.50	91	85	100
Mon. Life 40% pd.	..	132½	120	..
Mont. Is. Pr.	..	.20	..	3.50
Mont. Refrig. & S.	■.75	31	29½	..
Do. 1st pref.	1.50	29⅞	29½	..
Mont. Trams.	..	29	28	30
Moore Corp. pf. A	▲7.00	256	272	..
Do. pref. B	▲7.00	390	408	430
Do. pref. 4%	1.00	25½	26	26⅞
Morrison Brass	..	3	2½	3
Murphy Paint	.80	22	21	24
Nat. Hosiery A	.60	15½	16½	16½
N. Sew. Pipe A	2.40	27	28	29
National Trust	1.00	27	27	27½
Wm. Neilson 5% pref.	5.00	102½	101	..
Neon Pr. of W. C.	.80	13.50	13.10	..
North Star & Oil pref.	.35+.08½	5½	5½	5⅞
Nor. Can. Mtge.	■1.50	18	16½	20
Nor. Trusts	■.80	34	..	..
N.S.L. & Pr. pref.	6.00	110½	110½	..
Nuclear Ent.	†4.50	10½	10½	11
Ogilvie Flour pref	7.00	168½	168½	..
Ont. Beauty Sup.	†.10	50	..	100
Do. pref.	1.00	12	..	11
Ontario Loan	5.00	123½	123½	125
Ont. Steel pref.	7.00	130	122⅞	125
Pacific Coyle	..	.40	.38	..
Paton Mfg.	.80	19	19	..
Do. pref.	1.40	26½	25⅞	..
Path, S. S.	..	17½	15½	17
People's Cr. Sec.	.25	6	4½	6
Photo Eng.	■1.50+.75	25	25½	27
Premier Trust	2.00	55	52½	60
Purity Flour	.50	7	6⅞	7⅞
Do. pref.	3.50	45½	45	47
Quebec P. & P. pf.	..	20	19½	22
Quebec Telephone	.40	8⅞	8⅞	..
Quinte Milk A	.60+■.10	8⅞	8	..
Do. B	■.10	3.00	3.00	..
R. & M. Bear. A	1.10	20	..	21
Regent Knit.	.50	25	..	26½
Do. pref.	1.60	25	..	25
Reitman's	..	15⅞	..	15⅞
Reliance Grain	■10.00	18	15	..
Renfrew Textile	.60	5½	5½	6½
Renold Cov. A	1.10+.20▲▲	20	..	20
River S. Mill A	2.00	28½	28½	28⅞
Do. B	1.00	13½	12½	15
Robertson P.L. pf	2.50	47⅞	43⅞	..
Robinson Cotton	.40	10	10	10
Robinson Little	.80	9½	10	10
Do. A	1.00	15	..	16½
Rolland Pap. pref.	4.25	65	65	..
Russell Indust. pf	7.00	605	..	..
St. Law. Flour	1.80	20	20	22
Do. pref.	7.00	143½	142	150

BUSINESS BAROMETER

	AUG.	JULY	JUNE	MAY	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	240.3	158.9	165.8
Dom. total rev.	....	....	191.0	301.4	223.2
MERCHANDISING					
■Dept. store sales (3)	—3	+4	+7	+11	....
Country store sales (3)	....	....	....	—0.2	....
Retail store sales (3)	....	....	....	+6.3	....
Wholesale sales index (1)	....	....	....	303.3	274.8
FINANCE					
Dividend payment index (1) (5)	....	213.5	213.1	215.4	201.8
■Money supply (millions $)	....	....	4,187	4,155	4,030
NEWSPRINT CAPACITY					
Production ratio (7)	....	....	102.4	103.0	102.8
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	215.8	210.5	215.8
Cars (D.B.S.) (1)	....	....	156.0	154.0	166.1
COST OF LIVING					
D.B.S. (1)	....	162.1	160.5	159.5	154.3
EMPLOYMENT INDEX					
All industries (6)	....	....	194.4	189.1	192.3
■Payrolls (June 1/41=100) (2)	....	....	209.0	207.3	195.4
MANUFACTURING					
Inventories (1947=100)	....	....	....	130.6	122.1
Employment (6)	....	....	204.9	203.3	203.6

	1949	1948	1949 Jan. 1 to date	1948	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Aug. 6)	69.0	73.3	2,239.0	2,316.3	—3.3
C.N.R. gross rev. (June)	40,589	39,708	236,774	228,464	+3.6
C.N.R. net rev. (June)	886	1,647	950	11,106	—14.5
C.P.R. gross rev. (June)	29,069	27,546	175,236	160,830	+9.0
C.P.R. net rev. (June)	511	4,107	2,969	—163	....
IRON AND STEEL PRODUCTION (000's omitted)(May)					
Pig iron production (tons)	202.1	193.3	940.8	847.9	+11.0
Steel production (tons)	293.2	289.6	1,405.1	1,336.3	+5.3
CONSTRUCTION (000's omitted)					
■Contracts awarded (July)	129,269	89,791	618,108	572,827	+7.9
Cement prod., bbls. (May)	1,327	1,100	6,218	5,255	+18.3
AGRICULTURE (000's omitted)					
Flour prod., bbls. (June)	1,666	1,910	9,469	11,137	—15.1
Flour exp., bbls. (June)	682	1,041	4,830	6,535	—26.1
Wheat exp., bush. (June)	21,782	11,194	96,363	58,127	+65.8
■Cattle sales (July) (4)	138.5	124.3	845.4	835.7	+1.2
■Hog sales (July)	242.1	254.8	2,291.2	3,091.2	—25.9
SEA FISHERIES (000,000's omitted)					
Catch, lb. (June)	118.6	122.0	469.4	545.7	—14.0
Landed value (June)	6.3	7.1	20.0	21.7	—7.8
NEWSPRINT (000's omitted)					
Production (June) (7)	437	415	2,606	2,439	+6.8
Exports, tons (June (7)	419	397	2,385	2,250	+6.0
MINING AND OILS (000's omitted)					
Coal prod. (tons) (June)	1,322	1,404	9,087	8,582	+5.9
Gold prod. (fine oz.) (May)	332	287	1,619	1,396	+16.0
Petroleum prod. (bbl.) (Apr.)	1,845	796	6,393	3,170	+101.7
ELECTRICAL POWER OUTPUT (000,000's omitted) (May)					
Total monthly kwh	4,271	4,073	19,444	18,806	+3.4
FOREIGN TRADE (millions of $)					
Imports (May)	250.5	225.1	1,158.9	1,037.2	+11.7
Exports (June)	255.1	233.5	1,424.6	1,400.1	+1.7
FINANCE (millions of $)					
Bank debits (June)	6,915	6,446	33,954	31,552	+7.6
Bond sales (July)	177.1	345.3	2,099.1	2,579.6	—18.6
Life insurance sales (June)	112.7	101.7	632.9	610.7	+3.6
OTHER INDUSTRIAL FACTORS					
Shoe prod. (May) (000)	3,247	2,536	15,420	13,768	+20.0
Cigarette cons. (000,000) (June)	1,577	1,428	13,750	12,659	+8.6

(1) Base period 1935-39=100. (2) All industries. (3) % change from year ago, latest week or monthly average. (4) Total at yards and plants. (5) Nesbitt Thomson, etc. (6) Base period 1926=100. (7) Includes Newfoundland. ■New item for week.

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Corp. and Kamm, Garland & Co.)

Aug. 15, 1949

Stock	Bid	Ask
Allens Toronto units	45.00	....
Anglo Can. Tele. A	9.50	10.25
Ashdown Hardware B	11.00	....
Beauharnois L. H. & Pr.	18.00	20.00
Beauharnois Power	6.50	8.75
British Mtge. & Trust	185.00	....
B. C. Sugar	84.00	87.00
Can. Gen. Sec. C	7.00	....
Can. Gen. Investments	15.75	16.25
Can. Investors Corp.	7.75	8.50
Can. Motor Lamp	11.50	12.75
Can. Silk Products A	20.50	21.50
Can. West Nat. Gas com.	60.00	....
Do. pfd.	18.50	19.50
Capital Wire Cloth com.	14.00	....
Chase, A. W. units	53.00	56.00
Colonial Steamships com.	115.00	125.00
Commercial Finance com.	17.50	....
Commercial Life 10% paid	9.50	11.50
Confederation Life 30% pd.	195.00	....
Continental Life 20% paid	44.00	....
Cooksville A	10.00	11.50
Do. B	4.00	5.50
Cuban Can. Sugar com.	2.25	3.50
Detroit International Bridge	16.00	17.00
Dover Industries Ltd.	10.00	11.00
Dunlop Tire pfd.	25.00	26.00
Dupuis Freres pfd.	23.50	25.00
Empire Life 25% paid	17.00	19.00
Foreign Power Co.	4.50	6.50
Galt Brass com.	29.00	33.00
Goderich Elevator & Trans.	14.75	16.00
Great West Life	410.00	425.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. America	385.00	415.00
Guelph & Ont. Svgs. $50 par	61.00	....
Hart Battery com.	....	10.50
Hartz, J. F. A	9.50	10.50
Imperial Life	335.00	355.00
Lambton Loan & Inv. $50 p.	80.00	85.00
Laprairie com.	2.00	4.00
Do. pfd.	80.00	90.00
Loblaw Groc. Inc.	18.25	19.00
Manufacturers Life Ins.	340.00	360.00
Monarch Life 40% paid	120.00	....
Mountainview Apts. pfd.	24.00	29.00
Nat. Drug & Chem. com. N.	7.25	8.25
Do. pfd.	10.50	12.00
New Brunswick Telephone	11.50	12.50
Northern Tel. com.	11.50	12.00
Ont. & Que. Rlwy. 5 c. stks.	145.00	....
Peller Brewing com.	16.00	17.50
Peller Brewing pfd.	2.00	3.00
Provincial Bank of Canada	15.75	16.75
Prudential Trust	135.00	....
Ritchie Cut Stone pfd.	7.50	8.50
Sawyer Massey com.	2.75	3.50
Seiberling Rubber com.	5.00	6.50
Sincennes McNaught. Tugs	2.00	3.00
Sovereign Life 25% paid	47.00	....
Standard Fuel pfd. 4½%	36.00	39.00
Do. com.	3.00	5.00
Sun Life Assce.	495.00	515.00
Third Can. Gen. Inv.	3.60	4.00
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.00	3.50
United Steel A pfd.	24.00	25.50
Victoria Trust & Savings	135.00	....
Waterloo Manuf. com.	6.00	7.00
Waterloo Trust & Savings	123.00	127.00
Western Asurance com.	68.00	....
Western Grain com.	.90	1.25
Do. pfd.	20.50	23.50
York Trading com.	10.50	12.00

Stocks Not Traded This Week (Continued)

Stock	Div. rate $	Last sale	Aug. 12 Bid	Ask
Sarnia Br.	■.40	6	6	6½
Scarfe & Co. A	.80	14	14	15½
Scythes & Co.	1.00+■.18	15½	14⅞	16½
Do. pref.	1.25	25½	25½	..
Sher. Wms.	.80+■.20	17	17½	19
Shirriff's pref.	1.00	20	20	..
Sidney Roofing	..	15½	14⅞	..
Silknit pref.	2.00	32½	32½	40
Silverwoods B	■.10	6	6	6½
Silverwoods, W.D. pref.	5.00	86	83	98½
Simon & Sons	1.20	20	20	21
Do. pref.	5.00	98½	96½	100
Slater N. pref.	2.12	45	44½	50
Southam	1.00	19½	19½	19⅞
Stand. Chem. pf.	5.00	81	80	85
Stand. Clay.	..	16	..	..
Stanley Brock B	.40	5½	4½	6
Sterling Coal	..	9½	..	11
Sterling Trust	6.00	114	114	117
Stowell A pref.	1.50	17	17	18
Do. B	..	3	..	..
Stuart, D. A. pf	.80+■.60	20½	17	20⅞
Sun Publishing	■.40	17½	16⅞	17⅞
Sup. Pete. ord.	2.50	42	42	46½
Do. com.	2.50	27	..	55
Do. pref.	1.50	62	..	..
Tamblyn pref.	2.00	51	51	..
Taylor Pearson 5% pref.	.50	9½	9½	10
Theatre Props.	..	4	3	5
Tip Top Can. A	.50	9	..	10
Tip Top Tailors	.60	17½	17	18½
Tor. Elevators	.60	9½	9⅞	11
Tor. Gen. Tr.	7.00	166½	163	168
Tor. Iron	.60+■.15	10	9½	10
Do. A	.60+■.15	10½	10½	10⅞
Tor. Mortgage	5.00	100	100½	..
Trad. Bldg.	1.00+■.20	18½	18	19
Traders Fin. B	■.75+.25	20	18⅞	20
Do. 4½% pref.	4.50	90½	91	..
Do. A rights	1.00	20	..	20
Do. B rights	1.00	14½	14½	..
Tuckett Tob. P.	7.00	160	160	..
Twin City	..	7	7	10
Un. Amuse. A	1.00	30	30	..
Do. B	1.00	28	..	..
Do. A V.T.	1.00	30	30	35
United Secs.	..	14	..	17½
Viau Ltd.	1.00	27	27	..
Do. pref.	5.00	101	101	101½
Viceroy	.60	10½	10⅞	13½
Waterous Ltd.	.80	8½	..	8½
Do. A	.80	11	..	11
West. Brew.	1.60	23	23	25
West. Grain	..	1.00	1.00	..
Do. pref.	..	30	20	22
West. Grocers A	2.00	31	32½	33
Do. pref.	1.40	31	..	30
W'minster Pap. A	.50	8.75	..	9.00
Do. B	■.07½	2.50	2.37½	3.00
Willson Stat.	..	8⅞	8⅞	9
Wilsils	1.00	17½	17½	19
Wood, A. & J. P.	‡7.00	115	112	118
Woods Mfg. pref.	2.00	27	15	35
Wool, Combing	1.60	18	18	18½
York Knit. A N.	.40	6½	6½	7
Do. B N.	..	2½	2½	2⅞
Zellers	2.00	41	41	42
Do. 5% pref.	1.25	25	25	25½

▲Plus extras. ■Paid or payable in 1949. *On arrears. †Paid in 1948. ▲N. Y. funds. §Net after income taxes. •Dividend deferred. ♦After stock split. ‡Plus payments on arrears. ▲▲Participating div. 'New stock.

Stock	Div. rate $	Last sale	Aug. 12 Bid	Ask
Kerr Lake	*†.05	.80	.41	.65
Kootenay B.	...	.17	.16½	..
Lencourt	...	.05	.04	.08
Lexindin	...	.07½	.07½	.08
Maralgo	...	.04	.03⅞	.04⅞
Mentor Explor.	...	2.25	1.50	2.50
Mosher L. L.	...	.09½	.09	.12
New Bidl'que	...	.04	.03⅞	.04½
N. Louvre	...	.03	.03	.04½
Nipissing	...	.97	.95	1.05
Norgold	...	.03½	.02⅞	.04
Normandy	...	.02	.01½	.03
North. Empire	†.07	1.65	1.60	2.00
Ogama Rock	...	.20	.21	.25
Pacific East	...	.05½	.04	..
Packsack	...	.02	.01½	.03⅞
Partanen Mal.	...	.02	.02½	.03
Pato Cons. G.	▲.05	4.00	3.75	3.95
Proprietary	▲.30	15.50	16.25	..
Prospectors Air's	...	.70	.65	.80
Purdy Mica	...	.06	.06⅞	.08
Red Cloud	...	.01½	.01½	.01⅞
Red Crest	...	.02½	.03	.04
Red Hawk	...	.02⅞	..	.03½
Renabie	...	2.25	..	2.45
Sand River	...	.05	.04	.06
Scotia Gold	...	.00½	.00½	.01
Sigma Mines	▲.50	8.25	8.20	..
Soma Duv.	...	.04	.05	..
S. American G.	*▲.12½	1.10	..	..
Standard G.	...	.06	.06	.08
Star Lake	...	.00½	.00½	.01
Surf. Inlet	...	.07½	.08	..
Tombill	...	.07	.08	.09
Utica	...	.10	.09½	.10½
Villbona	...	.02½	.02½	.04½
Wellington	...	.01⅞	.01	.02
West Mal.	...	.06½	.04	.08½
Yukon Cons.	1.06	.66	.58	.66
—OIL STOCKS—				
Acme Gas & Oil	...	.05	.05	.06
Admiral	...	.04	.03½	..
General Pet.	▲.02	.77	..	.80
Lowery	...	.45	.45	.50
Marvel	...	.05	.04½	.05
McLeod	...	.04½	..	..
Midland P.	...	.27	..	..
Nordon	...	.10	.10	.12
Oil Selections	...	.03⅞	.03½	.04
Petrol Oil	▲.03	.15	.13	..
Royal Crest	...	.03	.03½	..
So. West Pete.	...	.25	.21	.30
Spooner	...	.17	.15	..
Three Point	...	.06	.05	..
Texas Can.	▲■1.85	.50	.50	1.00
Vanalta	...	.19	.19	..
Vulcan	...	.16	.19	..
Vul. Brown	...	.15	.10	..
Wellington	...	.04	..	..

▲Paid or payable in 1949. †Paid in 1948. §Paid in 1947. *N. Y. funds. ■Capital distribution.

Mining Stocks

Stock	Div. rate $	Last sale	Aug. 12 Bid	Ask
Alta.	...	.02	.02	..
Arno	...	.02½	.02½	.03
Beatrice	...	.04	.04	.04½
Berens River	...	.20	.30	.49
Bob's Lake	...	.04½	.04½	.07
Bonville	...	.02½	.02½	.03⅞
Bouscadillac G. M.	...	.02	.03	.03½
Boycon P.	...	.03	.02⅞	.03
Brewis	...	.04⅞	.03½	.04⅞
Bulolo Gold	▲.50	13.12½	..	13.75
Bunkeer Hill	...	.03½	.03½	.05
Calder B.	...	.09	.09	.10
Celta Devel.	...	.05	.02	..
Cent. Manitoba	...	.05½	.06½	.08
Century	...	.05	.05½	.06
Chromium	...	1.45	1.30	1.45
Coast Copper	...	.90	.70	1.00
Crowshore	...	.09	.08½	.11
Cryderman	...	.01	.00½	.01½
Dexter R. L.	...	.40	.35	.40
Dickstone C.	...	.03	.02	..
Flin Flon	...	.01½	.01	.01½
Fontana '45	...	.03	.02½	..
Forty-Four	...	.96½	.95	1.05
George Copper	...	.06	..	..
Glenora	...	.02½	.02½	.04½
Golconda	...	.27	..	..
Gold Lake	...	.00½	.00⅞	.01
Goodfish	...	.02½	.02	.03
Great Falls	...	.03	.03	.04
Halcrow Swayze	...	.04½	.04½	.05
Halliwell	...	.02	.02	.03
Headway	...	.04½	.04	.06
Int. Mining	...	4.75	..	..
Island Lake	...	.00½	.00½	...
Jack Lake	...	.02½	.02½	.02½
Kenville	...	.06	.07	.10

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.93	$20.88	$21.10
Hogs	31.60	32.60	32.10
Copper, lb.	.17⅝	.17⅝	.23½
Sugar, raw, lb.	.0540	.0530	.0530
Coffee, lb.	.28⅛	.27⅞	.26⅝
Hides	.23½	.22½	.28
Weekly Indices			
U. S. Labor	152.7	152.6	169.6
Dow Jones	130.57	130.10	149.89
Fisher's	161.8	161.0	176.8
Monthly Indices			
Retail (July)†	162.1	160.5	156.9
W'sale (June)	156.3	156.4	152.1
U. S. (May)	155.7	156.9	163.9
Gt. Brit. (May)	231.3	228.5	220.4

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government Offerings of Corporation and Foreign Securities

CORPORATE

Biron Knitting Mills—4½% first mortgage bonds, due Feb. 1, 1955-59, $150,000, dated Feb. 1, 1949. Sold at $100 and accrued interest to Credit Interprovincial Ltd.

PREFERRED

Industrial Acceptance Corp.—$2,000,000, 5% cumulative, redeemable convertible preferred shares (par value $25) offered at $25 per share by Greenshields & Co. Inc., Wood, Gundy & Co. Ltd., Nesbitt, Thomson & Co. Ltd., L. G. Beaubien & Co. Ltd., W. C. Pitfield & Co. Ltd., Midland Securities Ltd., James Richardson & Sons, Rene T. Leclerc Inc. and Yorkshire Securities Ltd.

Government Bonds

Aug. 16, 1949 (Supplied by Investment Dealers Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ..	‡101¾	102¼
3	Mar. 1954 ..	‡103¼	103¾
3	Nov. 1956 ..	‡103¼	103¾
3	May 1957 ...	102½	102¾
3	Jan. 1959 ...	102¼	103
3	June 1960 ...	102½	103
3	Feb. 1962 ...	101¾	102¼
1½	Nov. 1950 ...	100	100¼
3	Oct. 1963 ...	101¾	102¼
3	Sept. 1966 ...	101¾	102¼
1½	Nov. 1949 ...	100	100¼
Dom. of Canada Bonds:			
3	June 1958 ...	102	102¼
2¾	Feb. 1952 ...	102¼	102¾
3	Oct. 1952 ...	100	100¼
3	June 1955 ...	100¾	101¼
4½	Nov. 1959 ...	100¾	100¾
3½	June 1966 ...	103	103¾
3	Perpetual ..	†100¾	101¼
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101¾	102
4½	Sept. 1951 ..	●106¾	106¾
4½	Feb. 1956 ..	●118	120¼
4½	July 1957 ..	●120	122¼
5	Oct. 1969 .	*●105	106¼
5	Feb. 1954 ...	110¼	111¼
5	Feb. 1970 .	*●106	107¼
4¾	June 1955 ..	●119¼	120¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	●119	121
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	●106¼	108¼
4	Jan. 1962 ..	●117	119¼

%	Due	Bid	Ask
Montreal Harbour Comm.:			
5	Nov. 1969 .	●*105	106¼
Provincial Govt. Bonds			
Alberta:			
3½	June 1956/64	100¼	102
3½	June 1959 ...	106	107
3½	June 1950/71	100¼	102
3½	June 1950/72	‡101	102¼
British Columbia:			
2¾	Jan. 1967 ...	93¼	95¼
4½	Jan. 1969 ..	‡126	128¼
5	Apr. 1954 ..	‡114¼	116¼
5	Sept. 1953 ...	106¼	108¼
3	Dec. 1960 ..	99	100¼
4	Dec. 1967 ..	‡112	115
Manitoba:			
4	Dec. 1957 ..	‡113	116
4½	Dec. 1956 ..	‡116	119
5	Dec. 1959 ..	●122¼	125¼
2¾	Aug. 1962/64	93¾	95¼
3½	July 1966 ...	116¼	118¾
New Brunswick:			
4½	Apr. 1961 ..	‡118¼	118¼
5	Jan. 1960 ..	‡121	123
2¾	June 1966 ..	89	91
3½	Oct. 1960 ...	97¼	99
Nova Scotia:			
3½	June 1956 ..	100¾	102¼
4½	Nov. 1960 ..	‡120	122
5	Mar. 1960 ..	‡124	126
3	June 1956/58	90¾	101¼
2¾	Sept. 1966 ..	93¼	95¼
3¼	May 1960/62	100¼	101¼

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/68	94¼	96
3	Apr. 1962/65.	100	101¼
3½	May 1952/56	102	103
4	June 1962 ..	●117¼	119¼
4½	June 1959 ...	101¼	102¼
4½	Jan. 1962 ..	‡122¼	124¼
5	Dec. 1960 ..	●126¼	128¼
2¾	July 1967/76	93	95¼
Ont. Hydro Commission:			
4	Aug. 1957 ..	●114	116¼
2¾	June 1961/71.	94¼	95¼
2¾	Oct. 1965/68.	96¼	117¼
Prince Edward Island:			
4	Mar. 1951/54	101	102¼
Quebec:			
3½	Mar. 1954/59.	102¾	104¼
3¾	Feb. 1952/58	103	104¼
4½	Aug. 1958 ...	108¾	110¼
4½	Jan. 1963 ..	113¾	115¼
3	Feb. 1960/62	99	100¾
4	Nov. 1950/52.	102	103¼
Quebec Hydro Commission:			
3	Feb. 1969/73	97¼	98¾
Saskatchewan:			
4	Nov. 1955/60.	99	100¼
5	Aug. 1958 ...	105	107
4½	Mar. 1960 ..	‡109	111
5	Dec. 1959 ..	‡111¾	114
5½	Oct. 1952 ..	104¼	106
6	Mar. 1952 ...	105¼	107¼
3	Mar. 1963 ...	91	92¼
3½	Nov. 1960/62.	91¾	93¼
3½	Feb. 1960/62.	96¼	98

‡Callable on or after earliest maturity shown & payable at maturity at 101.
†Callable on or after Sept. 15, 1966. ‡Payable Can. or N. Y.
● Payable Can., N. Y. or £. *Callable at a premium.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.3	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	136.3	107.4	132.4	113.6	105.3
June	184.7	210.6	83.3	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
1949: Weekly Figures:												
July 7 ..	196.4	219.5	89.7	65.8	199.2	111.3	286.9	136.3	107.7	129.7	111.3	102.2
July 14 ..	199.6	221.4	89.2	67.3	202.9	112.9	294.0	137.6	108.1	130.5	114.6	104.7
July 21 ..	198.2	221.1	90.1	66.4	203.0	113.4	292.1	137.2	108.1	130.1	114.6	104.3
July 28 ..	200.9	223.6	89.5	66.8	203.8	113.8	296.7	136.9	109.6	132.6	116.7	105.6
Aug. 4 ..	203.9	223.5	86.5	68.4	203.4	114.3	298.5	138.6	108.8	132.3	116.7	106.8
Aug. 11 ..	209.4	231.8	91.3	69.4	203.9	114.8	307.4	140.3	110.1	133.2	120.1	108.9

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Aug. 15	176.57	105.41	98.70	43.62
Aug. 13	....	....	....	....
Aug. 12	176.19	104.83	98.99	44.06
Aug. 11	176.17	103.89	99.02	44.04
Aug. 10	174.65	104.62	100.12	43.48
Aug. 9	173.81	105.00	100.56	43.56
Month ago ..	169.45	98.80	90.76	44.22
Year ago	177.15	84.75	96.45	38.42
1949 High ...	182.74	106.66	110.34	58.43
1949 Low ...	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Aug. 15 ...	71.7	120.8	104.3	285.47	67.35
Aug. 13 ...	....	....	....	....	....
Aug. 12 ...	71.8	120.3	104.1	284.77	67.49
Aug. 11 ...	71.8	120.7	104.4	284.70	67.49
Aug. 10 ...	71.6	120.2	104.0	277.06	68.39
Aug. 9 ...	71.6	120.1	104.0	274.64	69.08
Month ago	70.5	118.4	102.4	270.62	63.74
Year ago ..	74.7	126.3	109.1	349.04	57.20
1949 High .	73.9	132.4	112.9	343.31	69.50
1949 Low .	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Aug. 15	178.97	46.68	36.52	63.90
Aug. 13	....	....	....	....
Aug. 12	179.29	47.05	36.65	64.13
Aug. 11	180.02	47.38	36.65	64.38
Aug. 10	180.60	47.72	36.78	64.65
Aug. 9	179.52	47.31	36.69	64.27
Month ago ..	174.04	44.35	35.51	61.81
Year ago	180.30	58.66	34.20	67.05
1949 High ...	181.54	54.29	36.80	66.18
1949 Low	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
Aug. 16, 1949

Public Utility Issues:	Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	69	72	66½
†Assoc. Tel. & T.	5½	'55	107	....	107
Bell Telephone .	3	'77	97½	100	97
B.C. Electric ...	3½	'67	94	97	93½
Calgary Power .	3½	'72	96	....	96
East Kootenay .	3½	'67	89	92	89
‡Gatineau Pr. D	3½	'70	100½	103½	100½
*Do. C	3	'70	98½	101½	98
Gt. Lakes Pwr.	3½	'67	97½	100½	97
*Int. Hydro-El. .	6	'44	61	....	60½
L. St. Law. Pwr.	2½	'65	93½	95½	94½
Maclaren-Quebec Power	3	'69	94½	....	94½
†Mtl. Trams. A .	5	'55	92½	....	92½
Nat. Lt. & Pwr.	4½	'61	100	....	100
Nor. Que. Pwr.	4½	'67	98½	101	98½
Ott. L.H. & Pr.	4	'57	100½	....	100½
Power Corp. ...	3½	'67	94½	97½	95
Quebec Power .	3	'62	97½	100½	97½
Saguenay Pwr..	3	'71	100	....	99½
St. Maurice Pr.	3½	'70	98	101	98
Shaw W. & Pr.	3	'61	98½	101½	98½
Shaw W. & Pr.	3	'71	95	98	95
Do.	3½	'70	99½	102½	99½
Union Gas	4½	'50	100	103	100½
Un. Fuel Invest.	4	'59	101	....	101
United Secs. ...	3	'52	99½	....	99½
Wpg. Electric ..	3¾	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. P. .	3½	'67	98½	101½	98½
Acadia-Atlantic Sugar	3¾	'65	101	....	101
Aluminum Co. .	3½	'74	102	....	102
Bathurst P. & P.	3¾	'68	98½	101½	98½
B.C. For. Prod.	4	'68	88½	91½	89½
B.C. Pulp & Pa.	3½	'67	91½	94½	92½
Bowater's Nfld. P. & P.	3½	'68	95	98	95
Brompton Pulp & Paper	3½	'66	92	95	92½
*Brown Co.	5	'59	88½	91½	87
Burns & Co. ..	4	'63	97	100	97
Can. Steamship	3½	'57	99½	102½	99½
Can. Brew.	3½	'67	91½	94½	92
Can. Celanese .	3	'62	97	....	97
Can. Oil	3½	'62	97½	100½	97½
Can. W. Lum. ..	4	'62	100½	103½	100½
C.P.R.	3½	'51	101	....	101
C.P.R.	4	Perp.	106	....	104
Cockshutt Plow Co.	4½	'65	101	103½	101
Columbia Cell..	5	'68	98½	101½	99
Consol. Paper .	3½	'67	101	103½	101
Dom. Coal	4½	'52	100½	....	100½
Dom. Tar & Ch.	3½	'57	100½	....	100½
Dom. Textile ..	3½	'59	101½	....	101½
Dom. Woolens .	5	'64	99	102	99½
Dryden Paper .	4	'61	100½	....	100½
E. B. Eddy	3½	'66	98½	101½	98½
E. B. Eddy	4	'66	101½	....	101½
English Elec. ..	4	'67	95½	98½	96
Federal Grain .	4	'64	97½	100½	97½
Gt. Lakes Pap. .	3½	'67	99½	....	99½
Imp. Tobacco ..	2¾	'66	96	99	96
Indust. Accept..	3½	'66	96	99	95½
Lake St. J. P. .	5	'61	101½	104	101½
Lang, John A. .	4½	'62	101	....	101
Laurentian Silk	4½	'67	99	....	99
MacMillan (H. R.) Ex.	4	'65	101	....	101
Maple L. M. ...	3½	'63	96	99	96
Massey-Harris .	3	'66	94½	....	94½
Do.	4½	'63	100½	103½	100½
McColl-Front. .	3	'71	94½	97½	94½
Mercury Mills .	4	'63	99	....	99
Monarch Knit. .	4	'66	100	103	100
Morgan (Henry) Prop.	3½	'67	99	102	99
N.S. Steel Coal.	3½	'63	98	100½	98
Penman's	3½	'66	99½	102½	99½
Price Bros.	3½	'66	100½	103	100½
Silv. Dairies ...	4	'60-64	97½	100½	98
Do.	4	'71	87½	90½	87
Simpsons Ltd. .	3½	'60	101	104	101
Stl. Co. of Can.	2¾	'67	94½	97½	94
Tor. Elevators .	3½	'66	98	....	98
United Corp. ..	4	'58	100	....	100
United Steel ...	4	'60	99½	....	99½
Un. Grain. Gr. .	4	'63	100	....	100
†Western Grain	5	'63	84½	87½	84
York Knit. Mills	3½	'71	89	92	89

*Payable in Canada or United States.
†Payable in Canada, U. S. or U. K.
*Payable in United States.
‡Payable in Canada only.
▲Payable in Canada or U. K.

Municipal Bonds

Aug. 16, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria ...	2¾	'55-66	98	100	3.75
Vancouver .	3	'67	91½	93	3.53
Calgary ...	3½	'62	98	101	3.44
Edmonton .	3½	'60	98	101	3.39
Regina	3	'64	90	93	3.49
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg .	2¾	'66	92½	95	3.12
Ottawa	3	'54	101⅛	103⅛	2.43
Toronto ...	2¾	'72	92	95	3.11
Hamilton ..	3	'60	98¼	100⅛	2.94
Windsor ...	2½	'75	72½	75½	4.00
Quebec	2¾	'66	90	93	3.38
Halifax	3	'66	92	95	3.31
Saint John.	3¼	'66	98	101	3.34
Windsor ...	2¾	'75	76	79	4.00
Windsor ...	3½	'75	88½	91½	4.00
Montreal ..	3	'70	90	93	3.38

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▲Un. Sec. Ser. B	3%	1952	Sep. 20	101½

▲$1,282,500.

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.25	Oct. 1	Sep. 1
Do. pfd.	.37½	Oct. 1	Sep. 1
Agnew-Surpass	.15	Sep.	July 30
Aluminium	.50	Sep. 1	Aug. 5
Aluminum pf.	.25	Sept. 1	Aug. 3
Asbestos Corp. ...	.30	Sept. 30	Sept. 8
Anglo-Can. Tel. A	.15	Sept. 1	Aug. 10
Argus Corp.	.15	Sept. 1	July 29
Do. pfd.	1.12½	Sept. 1	July 29
Auto Elec. Ser. ...	.10	Sept. 15	Aug. 19
Do. A	.12½	Sept. 15	Aug. 19
Aunor Gold	.05	Sept. 1	Aug. 10
Bk. Candn. Nat. ...	.20	Sep. 1	Aug. 15
Bk. of Montreal ..	.20	Sept. 1	July 30
Bk. of Toronto ...	.30	Sept. 1	Aug. 15
Bathurst Pwr. & Pap. Cl. A	.37+.12½	Sept. 1	Aug. 2
Beaver Lumber A .	.25	Oct. 1	Sept. 10
Do. pfd.	.35	Oct. 1	Sept. 10
Beld.-Cort.	1.50	Oct. 1	Aug. 31
Do. pfd.	1.75	Oct. 1	Aug. 31
Borden Co.	†.60	Sept. 1	Aug. 11
Belleterre Que. M. .	.10	Sep. 15	Aug. 15
B. A. Oil	.25	Oct. 1	Sep. 6
Do. pfd.	0.234375	Oct. 1	Sep. 6
B. C. Packers A ..	.37½	Sep. 15	Aug. 25
Do. B	.25	Sep. 15	Aug. 25
Bruck Mills A	.30	Sept. 15	Aug. 15
Do. B	.07½+.07½	Sept. 15	Aug. 15
Brown Co. pfd. ..	†1.50	Sept. 1	Aug. 10
Burns Co. A & B ...	.30	Oct. 28	Oct. 7
Butterfly Hose. ...	.25	Sept. 15	Aug. 15
Can. Cr. Stone	.15	Sep. 20	Sep. 1
Can. & Dom. Sugar	.25	Sept. 1	Aug. 10
Can. Foils	*.10	Sept. 15	Aug. 25
C. Fdry. & Forg. A	.37½	Sept. 15	Aug. 29
Can. Malting	.50	Sep. 15	Aug. 15
Can. Safeway pf.	1.12½	Sept. 1	Aug. 12
Can. Starch pfd.	3.50	Sep. 30	Sep. 23
Can. Vinegars	.20	Sep. 1	Aug. 15
Can. Wire & Cable A	1.00	Sep. 15	Aug. 31
Do. B	.50	Sep. 15	Aug. 31
Candn. Brew.	.50	Oct. 1	Aug. 31
Candn. Can.	.31¼	Sep. 30	Sep. 9
Do. 1st pfd. ...	.25+.05	Sep. 30	Sep. 9
Do. 2nd pfd. ..	.15+.10	Sep. 30	Sep. 9
Candn. Car	.20	Aug. 22	Aug. 1
Do. A	.25	Aug. 22	Aug. 1
Candn. Dredge	.25	Nov. 2	Oct. 6
Do.	.25	Feb. 2	Jan. 6
Candn. Fairb.-M. ..	.25	Sep. 1	Aug. 15
Candn. Food Pro. ..	.18¾	Oct. 1	Aug. 31
Do. A	.25	Oct. 1	Aug. 31
Do. pfd.	1.12½	Oct. 1	Aug. 31
Can. For. Inv. Corp.	.50	Oct. 1	Aug. 31
Candn. Ice Mach. A	.20	Oct. 1	Sep. 15
Candn. Ing.-Rand .	1.00	Sep. 28	Sep. 14
Can. Int. I. Tr. pf.	2.50	Sept. 1	Aug. 12
Candn. Motor L. ..	.15	Sept. 15	Aug. 25
Do.	.15	Dec. 15	Nov. 15
Candn. Oil 4% pfd.	1.00	Oct. 1	Sep. 1
Do. 5% pfd.	1.25	Oct. 1	Sept. 1
Do. 8% pfd.	2.00	Oct. 1	Sept. 1
Candn. Pac. Rlwy. .	.50	Oct. 1	Aug. 22
Candn. Tire	.30	Sept. 1	Aug. 20
Candn. West. Lum.	.10	Oct. 1	Sept. 17
Can. W. Nat. Gas pf.	.20	Sep. 1	Aug. 15
Chartered Trust N.	.25	Oct. 1	Sept. 15
Chatco Steel pf.	.25	Sept. 1	Aug. 16
Cockshutt Plow ...	.20	Sept. 1	Aug. 1
Commoil Ltd.	.00½	Aug. 25	Aug. 6
Cons. Textile	.15	Sep. 1	Aug. 15
Consol. Theatres A	.13	Sept. 1	Aug. 1
Corr. Paper Box ..	.37½	Sep. 1	Aug. 12
Do. 5% pf.	1.25	Sept. 1	Aug. 12
Davis Leather A .	.37½	Sept. 1	Aug. 1
Do. B	.17½	Sept. 1	Aug. 1
Distillers Corp. Seag.	.25	Sep. 15	Aug. 23
Dom. Bridge	.30	Aug. 25	July 29
D. & Anglo Inv. pf.	1.25	Sept. 1	Aug. 15
Dom. Scot. Inv. Tr. pf.	.62½+1.50	Sep. 1	Aug. 15
Dom. Stores	.37½	Sep. 15	Aug. 18
Dom. Tar & Chem.	.25	Nov. 1	Oct. 1
Do. V.T.	.25	Nov. 1	Oct. 1
Do. pfd.	.25	Oct. 1	Sep. 1
Donohue Bros.	.25	Sep. 1	Aug. 15
Economic Inv. Tr. ..	1.00	Oct. 1	Sep. 15
Eddy Paper A	.25	Sept. 15	Aug. 16
Electrolux	†.40	Sep. 15	Aug. 15
Emp. Brass A	.25	Oct. 15	Sept. 30
Esmond Mills pf. ..	.25	Nov. 1	Oct. 7
Fibre Prod.	.20	Sep. 21	Sep. 1
Ford Motor A, B	.25+.25	Aug. 26	Aug. 5
Gair of Can. pfd.	1.00	Sept. 1	Aug. 13
Golden Man. M.	.05	Oct. 1	Sep. 9
Grafton A	.25	Sept. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Gord. Mackay A ..	.12½	Sep. 15	Aug. 15
Do. B	.25	Sep. 15	Aug. 15
Gt. Lakes Pap.	.25	Sep. 30	Sep. 15
Do. A	.62½	Sep. 30	Sep. 15
Do. B	.30	Sep. 30	Sep. 15
Gt. West Felt	.30	Oct. 1	Sept. 20
Gypsum, Lime	.25	Sept. 1	Aug. 1
Do.	.25	Dec. 1	Nov. 1
Hallnor M.	.07	Sept. 1	Aug. 10
Ham. Bridge .	.12½+.12½	Oct. 1	Sept. 15
Ham. Cotton	.22½	Sept. 1	Aug. 10
Hendershot Pap. ..	.25	Oct. 1	Sep. 16
Do. pfd.	2.50	Oct. 1	Sep. 16
Howe Sound	†.50	Sept. 10	Aug. 26
Hudson Bay M. & S.	1.00	Sep. 12	Aug. 12
Huron & Erie Mtge.	1½%	Oct. 1	Sep. 15
Imp. Tobacco	.12½	Sept. 30	Aug. 16
Do. 6% pf.	3%	Sept. 30	Aug. 16
Imp. Varnish	.25	Sep. 1	Aug. 19
Do. pfd.	.37½	Sep. 1	Aug. 19
Int. Nickel	†.40	Sep. 20	Aug. 22
Int. Paper	†1.00	Sep. 29	Sep. 2
Do. pfd. 4%	†1.00	Sep. 29	Sep. 2
Int. Utilities	†.25	Sep. 1	Aug. 12
Inv. Found. pf.	.75	Oct. 15	Sep. 15
Island Tug & B. pf.	.25	Sep. 2	Aug. 16
Lake Shore M.	.18	Sept. 15	Aug. 15
Lake of Woods Mill	.40	Sep. 1	Aug. 1
Do. pfd.	1.75	Sep. 1	Aug. 1
Lamaque G. M. ...	.12	Oct. 1	Aug. 17
J. A. Lang	.25	Oct. 1	Sep. 10
Laura Secord	.20	Sept. 1	Aug. 1
Laur. Accept. pf. .	.25	Oct. 30	Oct. 15
Loblaw Groc. A & B	.25	Sep. 1	Aug. 3
Loblaw Inc.	†.20	Sep. 1	Aug. 12
Louisiana Land & Expl.	†.25+.15	Sept. 15	Sept. 1
W. M. Lowney	.25	Oct. 15	Sep. 15
Mack. Steel pfd. ..	1.25	Sept. 15	Aug. 31
Maclaren Pwr. & P.	.50	Aug. 31	Aug. 6
Massey-Harris	.25	Sept. 15	Aug. 20
Do. pfd.	.62½	Sept. 15	Aug. 20
Maxwell Ltd.	.12½	Sep. 1	Aug. 15
McIntyre Porc. M. .	.50½	Sep. 1	Aug. 3
J. S. Mitchell ..	1.00+.25	Oct. 1	Sept. 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Molsons Brew. ..	.25+.25	Sep. 27	Sep. 6

Market Comment

What stocks and bonds are doing and what prominent observers say

Canadian and U. S. stock markets showed a net gain again last week to make eight consecutive weeks of rising prices. At mid-week, Canadian markets seemed to be consolidating their position with little evidence of trend either way.

Analysts are looking for a corrective action following the long rise although they are not certain it has started yet. They feel the real test of the market strength will come when the present rally plays itself out and a reaction sets in.

From present indications it would appear that there may be a fair volume of liquidation when the Dow-Jones industrials average enters the 180-183 area which may tend to slow up anything but a very strong uptrend. On the other hand the fact that volume has tended to drop on any mild setback seen so far is taken as an indication of underlying strength.

Factors of strength in the current situation are: anticipated recovery in business in the United States over the next several months; the large short position and the disposition of short sellers in many instances to cover if the move runs too long against them. Also acting as a stimulant to the stock market last week was the statement of Thomas B. McCabe, chairman of the Federal Reserve Board, urging Congress to take steps to change the tax laws as a means of reviving equity financing. Among his suggestions were elimination of double taxation on corporate dividends and reduction of taxes in the higher brackets to stimulate investing in common stocks.

On the other hand the British financial crisis has not yet been solved, there has been no testing of the market action by way of a setback and there are many unsettled labor demands in the United States.

Gold stocks have been consolidating their recent price gains with little evidence of selling pressure.

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J. E. GRASETT; J. E. Grasett & Co., (Toronto):

The market for gold shares is obviously anticipating some good news from the scheduled meeting of I.M.F. in September, but in our opinion the most that can be hoped for from this source is a more realistic valuation of a number of European and American currencies in relation to the United States dollar.

The gold mining industry has apparently seen the worst of its war-time depression and recent reports indicate an upward trend in both earnings and production. Shares of those gold mines with adequate ore reserves have been under quiet accumulation for some time.

Consumer soft goods industries have apparently come through the postwar adjustment and should enjoy fairly good sales and profits. The manufacturers of consumers durable goods and the heavy industries are faced with uncertainty in the immediate future, while the prices of the various base metals appear to be stabilizing at current levels.

We look for an active market of considerable strength in the golds and base metals, with firmness in the textile, chain store and department stores shares, with the outlook for heavy industries uncertain.

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J. R. TIMMINS & CO. (Toronto):

The stock market strength has been greater than most market observers had expected to occur before Labor Day and to some the recent rise may have been premature to cause a climax occurring unless the advance is checked now.

Improvement in sentiment by investors, however, is noticeable and accumulation of securities which are providing such excellent yields is taking place.

The next few weeks are considered important as to the light they will provide for the future business outlook, particularly our foreign trade and the solution to the sterling bloc. These two factors are the main depressants influencing our security markets.

However, our June export trade revenue was higher than expected although the investors' fears for certain segments of our industry have priced stocks to discount less favorable outcome. Canadian economic conditions have been better than seasonally expected and industry is remarkably free from labor troubles. The outlook for Fall and Winter retail business should be good, due to the satisfactory level of employment and the high rate of wages. These influences should commence to create a better attitude by investors and subsequently improving prices in securities.

The gold mining industry is making steady improvement from the level of production of three or four years ago and is attracting buying of the better situated issues. The speculative market, however, is poised awaiting the outcome of international monetary reform.

The improving prices for base metals is gratifying and should the New York market continue its strength our base metal stocks should behave well.

In the Western Oils we notice increasing interest by leading financial firms in the United States but currently the public interest seems to be confined to the better issues. Speculative interest will likely revive again in anticipation of the outlet to be provided by the pipelines and the eventual lifting of proration.

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H. J. BIRD; H. J. Bird & Co., (Vancouver):

Public confidence is what makes security values and confidence has returned to the stock market after a period of weakness in June. We advise clients and investors to take advantage of present opportunities which still exist to purchase sound investment stocks at liberal yields now prevailing.

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BARRON'S; The Trader (New York):

Only to the impatient, those forgetful of the present-day restrictions that prevent the old-fashioned exploitation by floor traders and professionals of a speculative line of least resistance, is the slowness of the 19-point advance in industrial stocks since mid-June a disappointment. Yet, reversal of a trend of over three years—May, 1946—June, 1949—a period longer by two months than the great bear market of Sept., 1929—July, 1932, must soon begin to emerge in its full significance.

Signs of the end of the short-lived business recession are too numerous to be disregarded at a time when the yields from seasoned industrial stocks is still 2¼ times the return from highest-grade bonds.

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Unlisted Mines, Oils

Approximate quotations, 3 p.m., Aug. 15, subject to confirmation and changes:

	Bid	Ask		Bid	Ask
Abenakis	3	5	Mate Yel	2	3
Advance	4½	5	Miles R L	3½	5
Alexander	4	6	Mindus	15	16
Aljo	1	2	do vt	10	13
Ama Kir	6	8	Mink	3½	4½
Anna'que	1½	2½	Mistassini	3½	4½
Arctic	6	8	Moffat H	1	1½
Argonaut	1½	2½	Mohawk P	1	2
Audley	1½	3	Murbell	1	2
Auterra	1	3	Murmac	19½	21
Aurora Y	..	9	McManus	5	7
Baker	½	1½	McCuaig	3½	4½
Barb L N	2	4	Nat Mal	33	35
Batch R	..	30	Nayb '45	2	4
Beaulieu	2½	3½	Newcore	4	6
Beauriv	4	5	New Aug	15	17
Bi Ore	18	22	New Mal	4	6
Blondor	1½	3	Nickel L	4	6
Bouzan	7	8	Nisto	32	35
Bour C	1½	3	Nat Mal	33	35
Bradnor	1½	3	N Offsets	150	200
Braminco	17	..	Norbeau	55	60
Br Breest	1	2	Norbec	6	9
Bravo	1	2	Norcourt	3	4
Bright R L	2	3	Norford	2	3
B McDade	9	11	Normar	2½	3½
Bulldog	24	28	Nortyne	1	3
Burley Po	1	2½	Novele P	3	4
Camlaren	4	5	Obalski old	2	..
Camray	29	32	do '45	9	11
Captain	2	4	Obaska	9	11
Carricona	1	2	Oklend	2½	3½
Cassidy	2	3	Olivet	1½	2½
Cent M	6½	8	Opemiska	10	12
Cock R L	1½	2½	Ortona	4½	6
Columbier	1	2	Pascalis	18½	20
Con Chib	18	20	Pelangio	4	6
Con Cop	9½	10	Payne	3	5
Courageo	1½	3	Phelps	1½	2
Craibbe	5	7	Pinnacle	1	2
Croydon	2½	4	Poona Go	½	1½
Cuyuni N	40	50	Presdor	2	3
Delhi	..	12	Privateer	20	25
Derlac	1½	2½	Pro Divers	27	30
De Sant	2	4	Quejo	3½	5
Dickenson	17	19	Quest	2½	4
Dom Mal	1	2	Rand Mal	8	10
Dona Pat	1	3	Rajah R L	1	3
Doris	1½	2½	Raymond	1½	2½
Durham	9	11	Randona	2½	4
Echo Ind	2	3	Rebair	..	13
Elmac	2	3	Redruth	3	5
Erin Kirk	1	1½	Redwood	6	7
Flicka	1	2	Richgroup	6	7
Forty Four	90	105	Russet	4	6
Gan Cop	3	5	Rhyolite	2½	4
Geneva L	7	8	Salmita	2½	4
Gilbec	1	2	Santiago	6	8
Goldpac	10	15	Sepha	1	2
Goodrock	1	2	Sheldon	14	16
Gord Lebel	1½	3	S Dufalt	..	5
Gov Gold	4	6	Silv Arro	2	4
Grnd Chib	19	23	Sovereign	2	4
Greendee	6½	6¾	Skynner	½	1
Grndhog	5	10	Starlight	2	4
Halden	3	5	Sun Bear	5	7
Habitant	2	3	Thornhill	½	1
Harp Mal	2	3	Tiffany	1½	3
Hornfault	7½	9	Tobico	1½	2½
Hayes Cd	½	2	Tovarich	1	2
Hugh Pam	8	10	Viking	13	15
Independ	4	5	Val d'Bel	1½	1½
Islepines	30	35	Vinray	2½	3
Joannes D	1	2	Walcoro	3	4
Kamlac	16	19	Wesley	1	2
Ken Bay	5	7	West R L	1½	2½
Kenda Pe	5	7	Wilwood	1	2
Kenroy	½	1½	Y Davids	19½	21
Kingdon	..	20	Yelknife	160	..
L Expanse	7	7½	do vt	135	..
Lar-Add	1½	3	Zolota	8	10
La Salle	7½	8½	**OILS**		
Lavalie	2	3	Franco	53	57
Legardo	½	1½	Granledue	20	25
Lennie	1½	3	Home Oil	10	10½
Le Pine	1	5	Jupiter	11	14
Louvore	½	1½	Lingnora	4	6
Mallen R L	2½	4	Major Oil	2	3
Marbenor	7	9	Nw Ranch	2	3
Marquette	½	1½	Pac Oil Re	5	6½
Mar Bird	3	4	Princess	18	20
Mary Ann	3½	4½	Universal	2	3
Mat Con	32	40	Vermilion	36	45
Metalore	4	5	Westlock	7½	9

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
Monarch Knit.	.25	Oct. 1	Aug. 31
Do. pfd.	1.12½	Oct. 1	Aug. 31
Moore Corp.	.75	Oct. 1	Aug. 31
Do. A & B pfd. ..	†1.75	Oct. 1	Aug. 31
Do. 4% pf.	.25	Oct. 1	Aug. 31
H. Morgan pfd. ...	*1.19	Sep. 1	Aug. 10
Nat. Biscuit	†.40	Oct. 14	Sept. 9
Do. pfd.	†1.75	Aug. 31	Aug. 9
Nat. Drug	.12½	Sept. 1	Aug. 12
Do. pfd.	.15	Sept. 1	Aug. 12
Nat. Hose. A	.15	Oct. 1	Sep. 2
Do. B	.30	Oct. 1	Sep. 2
Wm. Neilson pfd. .	1.25	Sept. 1	Aug. 10
Nfld. Lt. & Pwr. ...	.25	Sep. 25	Sep. 1
Noranda M.	1.00	Sept. 15	Aug. 15
Normetal M.	.10	Sept. 30	Sept. 2
Nova Scotia Lt. & Pr. 4% pfd.	1.00	Sep. 1	Aug. 8
Do. 4½% pfd.	1.12	Sep. 1	Aug. 6
Do. 6% pfd.	1.50	Sep. 1	Aug. 6
Ogilvie Flour	.25	Oct. 1	Aug. 25
Do. pfd.	1.75	Sept. 1	July 27
Obsco pf.	.25	Oct. 2	Sep. 20
Que. Man. M.	.02	Oct. 1	Sep. 9
Paton Mfg.	.20	Sept. 15	Aug. 31
Do. pfd.	.35	Sept. 15	Aug. 31
Photo Engravers ..	.75	Sep. 1	Aug. 15
Powell River	.50	Sep. 15	unstated
	Coup. 19-xc		Sep. 14
Pressed Met.	†.25	Sept. 1	Aug. 10
Do.	†.25	Dec. 1	Nov. 10
Purity Flour	.25	Sept. 1	Aug. 12
Que. Power	.25	Aug. 25	July 15
Regent Knit. pf. ..	.40	Sep. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Remington Rand ..	†.25	Oct. 1	Sept. 9
Do. pfd.	†1.12½	Oct. 1	Sept. 9
Robinson Little A .	.25	Sept. 1	Aug. 15
Rolland Pap. pfd. ..	1.06¼	Sep. 15	Sep. 1
Royal Bank	.25	Sep. 1	July 30
Royalite Oil N.	.06¼	Sep. 1	Aug. 15
Sag. Pwr. pf.	1.07	Oct. 1	Sept. 9
Saudi-Arabian M. ..	†.15	Oct. 31	Sep. 23
Scythes & Co.	.25	Sep. 1	Aug. 15
Do. pfd.	.31¼	Sep. 1	Aug. 15
Shaw. W. & Pwr.	.30	Aug. 25	July 15
Do. Cl. A pfd. ...	.50	Oct. 3	Sept. 2
Silknit	.15	Sep. 15	Sep. 1
Do.	.50	Sep. 15	Sep. 1
H. Simon & Sons ..	.30	Sep. 1	Aug. 2
Do. pfd.	1.25	Sep. 1	Aug. 2
Simpsons A & B ..	1.00	Sep. 15	Aug. 15
Do. pfd.	1.12½	Sep. 15	Aug. 15
Stand. Chem.	.10	Sept. 1	July 29
Do. pfd.	1.25	Sept. 1	July 29
Stedman Bros.	.20	Oct. 1	Sep. 15
Super Serv. 4½% pf.	.11¼	Sep. 15	Aug. 22
Do.	.11¼	Dec. 15	Nov. 22
Sylvanite G. M.	.01½	Oct. 1	Aug. 12
Taylor Pear. & Car. pf.	.12½	Sept. 1	Aug. 20
Teck-Hughes G. M.	.05	Oct. 1	Aug. 17
United Corp. B ...	.25	Aug. 31	July 30
United Fuel A pf. .	.75	Oct. 3	Sept. 9
United Grain	1.00	Sept. 1	July 30
United Steel	.15	Sept. 30	Sept. 15
Verney Corp. pfd. ..	.56	Oct. 1	Sep. 15
Viceroy Mfg.	.15	Sept. 15	Sept. 1
Virg. Dare pfd.	.31¼	Sep. 1	Aug. 18
Waite Amulet M. .	.30	Sept. 30	Aug. 10
H. Walker-Good. ..	.30	Sep. 15	Aug. 19
Westel Pro. ...	.50+.25	Sep. 15	Aug. [illegible]
Geo. Weston pfd. ..	1.12½	Sept. 1	Aug. 15
J. C. Wilson	.15	Sep. 15	Aug. 31
Wool Combing	.40	Oct. 10	Sept. 23
Wright-Harg. M. ..	.04	Oct. 1	Aug. 26

†American funds. *Initial.

Staff Changes

Chartered banks announce the following staff changes:

Montreal:

G. J. T. HICKEY, manager, Tilbury, to be manager, Timmins, Ont.

H. G. W. PAICE, accountant, St. Marys, Ont., to be manager, Athens, Ont.

C. L. SMITH, manager, Athens, Ont., to be manager, Lucknow.

C. H. SHIELS, manager, McGregor St. and Selkirk Ave., Winnipeg, to be superintendent, Manitoba and Saskatchewan district with headquarters, Winnipeg.

H. A. LAWRENCE, Hensall, Ont., to be manager, Drumbo, Ont.

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Royal:

M. G. AGUILERA, accountant, Sagua la Grande, Cuba, to be manager, Bayamo, Cuba.

D. G. NIVEN, Cornwall, Ont., to be manager, Newboro, Ont.

L. G. HAIRS, manager, Moron, Cuba, to be manager, Sagua la Grande Cuba.

D J. MORRIS, Chilliwack, B.C., to be accountant, East End, Vancouver.

A. D. PERLEY, accountant, Courtenay, B.C., to be accountant, East End, Vancouver.

O. SAURA, Sagua la Grande, Cuba, retires.

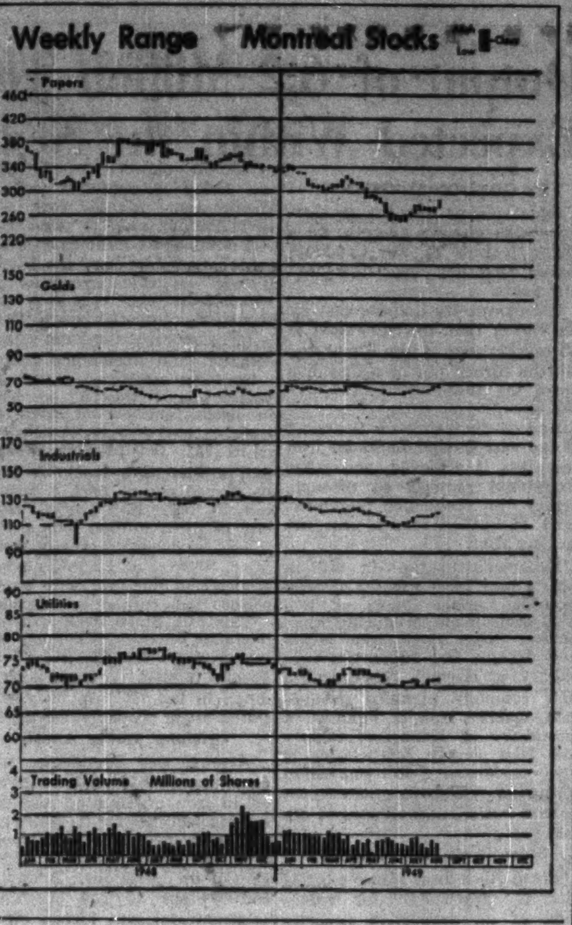
Company Meetings

1949	Company	Place
Aug. 12	Cons. Duq. M.	Twp. of Destor, Ont.
Aug. 15	Maxwell Ltd.	St. Marys, Ont.
Aug. 24	Neon Prod. of W. C.	Vancouver
Aug. 26	Candn. Converters	Montreal
Aug. 27	York Oil	Vancouver
Aug. 31	Wabasso Cot.	Three Rivers, Que.
Sept. 8	Agnew-Surpass	Brantford, Ont.
Sept. 28	Candn. Coll.	Vancouver

Investment Trust

	Bid	Asked
Affiliated Funds	3.72	4.08
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.53	4.93
Can. Invest. Corp.	7.75	8.50
Commonwealth Int.	3.25	3.57
Corporate Invest.	7.93	8.55
Trans-Canada	13.45	....
Do. B	....	13.90†

†Ex.-div.



New Highs & Lows

During the week ended Aug. 12, 24 new highs were recorded among the general stocks on Canadian Stock Exchanges and 12 new lows. In the mining group there were 26 new highs and seven lows. In the western oil group there were five new lows.

GENERAL
New Highs—1949

Brant. Cord. pref.	Dom. Stores
Can. Safeway pref.	Easy Washing
Can. Wire & Cable B	Fair. Aircraft
Can. Breweries	Foundation Co.
Capital Estates	Gen. Products A
Coast Breweries	Imperial Bank
Cochrane-Dunlop Hardware	Int. Utilities
Cons. Bakeries	Nat. Breweries
Distillers-Seagram	Ont. Steel
Dom. Bank	Taylor Pearson
Dom. Glass	Union Gas
	United Fuel B pref.
	Walker-Good.

New Lows—1949

Acme Glove	Int. Power
Brand & Millen A	Lewis Bros.
B. C. Forest	McCabe Grain A
Can. Bronze	Mont. Locomotive
C. W. Lumber	Saguenay
Davis Leather B	Sangamo

MINING
New Highs—1949

Amalg. Larder	Lake Shore
Anglo Rouyn	Lake Wasa
Aunor Gold	La Luz
Bralorne	Madsen Red Lake
Brazil Gold	Malartic Gold
Broulan	M'Kenzie Red Lake
Cons. Beattie	Noranda
Discovery	Rice Lake
Elder	Sherritt Gordon
Giant Yk.	Sladen Malartic
Graham Bousquet	Sylvanite
Joliet Quebec	Vicour
Laquerre	Yellowknife Bear

New Lows—1949

Coniagas	Northland
Grandoro	Reno Gold
Lake Fortune	Trebor
North Denison	

OILS
New Lows—1949

Calmont	Leduc Calmar
Federated P.	Superior
Foothills	

OIL PRODUCTION

Anglo & Home Starting Test Of $626,000 Redwater Bet

From Our Own Correspondent

CALGARY — Anglo Canadian Oil Co. and Home Oil, which already share eight producers on a Redwater half section, have spudded in an initial test well on a further quarter section acquired from the Alberta Government for $626,000.

The quarter section is located half a mile north of established Redwater production in the northwest sector and the initial well is already down some 400 ft. Commonwealth Drilling Co. is the contractor.

• • •

Quite a bit of drilling is proceeding in the Whitemud area where Imperial Oil appears to have a success in its No. 3 well, drilled as an offset to the New Pacalta-Whitemud No. 1 well. Test of a small Cretaceous interval has given oil and gasified oil with no sign of formation water.

Imperial Whitemud No. 4 well is now drilling at 2,098 ft. while New Pacalta-Whitemud No. 2 well is drilling at 2,500 ft.

• • •

Pincher Creek Looms Large

A major wet gas field appears to have been located at Pincher Creek on basis of the original Gulf-Pincher Creek No. 1 well and the recently completed Gulf Walter Marr No. 1 well, seven miles to the northwest.

If anything, the followup Walter Marr well looks bigger than the initial discovery well. Calculated potential is 83 million cu. ft. of gas daily with potential for distillate or light crude accompanying the gas estimated at 3,000 bbl. daily of 52.5 deg. gravity. The discovery well potential was 55 million cu. ft. of gas, 1,500 bbl. daily of distillate. The Walter Marr well was completed at 12,473 ft.; gave its excellent potentials from the upper part of the Madison limestone after a water intrusion in the lower part of the lime had been successfully sealed off.

• • •

Farmers Want More

Better surface rights for farmers from the oil industry are being sought by Alberta agriculturists.

Roy C. Marler, president of the Alberta Federation of Agriculture, headed a recent three-man committee to meet Hon. N. E. Tanner, minister of mines and minerals. A member of the committee claimed some Alberta farmers have been receiving "as little as $16 per year" in compensation for the exploration work carried out on their farms in Alberta in connection with oil drilling.

The committee also sought to have the government form a three-man board to settle surface rights problems, rather than the one-man board which has been functioning. It was suggested that one of the three should be a farmer experienced in assessing costs and other expenses.

Suggestions will go before the next cabinet meeting.

More radical are views of some members of the Farmers' Union of Alberta who are seeking a 5% royalty on production in exchange for surface rights.

Central Porcupine Still Hopeful of New Showing

Underground diamond drilling from the adjoining Coniaurum Mines is still being carried on by Central Porcupine Mines and officials believe there is still a possibility of an ore shoot although the first two followup holes did not return commercial values.

The initial discovery hole returned 0.58 oz. or $20.30 from 6 ft. of quartz. A hole above cut no appreciable values while $4.02 over 1.5 ft. was highest value in a hole to the west. A hole following the original discovery hole is being put out and this will be wedged. Later the area below the wedged hole is to be tested.

SHERRITT GORDON MINES realized a $256,843 net profit in the June, 1949, quarter as against $573,626 in the first quarter of 1949 when higher prices were received for metals sold. Considerably more diamond drilling of the Stanmac copper option, in Lake Athapapuskow in the Flin Flon area, is planned next winter. Jalore, Jones & Laughlin Steel Corp. subsidiary, has exercised its option on Ruth and Lucy iron properties in the Michipicoten area and must pay a minimum yearly royalty of $60,000 until the properties are placed in production. Sherritt's share of this royalty will be $49,620.

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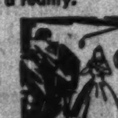

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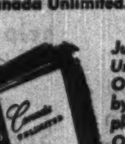

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A STUDY OF A CHANGE IN THE PRICE OF GOLD

Based on personal interviews conducted this year by members of our firm in the money centres of London, Paris, Geneva, Zurich, New York and Washington.

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Output of 6.2 Million Tons Iron Ore Expected Within the Next Few Years

By GORDON M. GRANT

Expansion of iron ore production looks like it's going to be a major feature of the Canadian mining industry over the next few years.

It looks pretty definite that by the end of 1954, the equivalent of 6.5 million tons of iron ore a year will be turned out or nearly five times the 1948 output of 1,354,069 tons.

And if finalizing of financing of the vast Quebec-Labrador iron resources is achieved, and other considered projects go through, actual iron production might exceed 16 million tons a year not so long after.

Expansion to the six million tons a year level appears already assured through plans of two present iron ore producing companies, Steep Rock Iron Mines and Algoma Ore Properties subsidiary of Algoma Steel, and a new company planning production, Quebec Iron & Titanum, a subsidiary of Kennecott Copper and New Jersey Zinc. Dosco is also considering a 50% expansion of output at Wabana mines which turned out 1.7 million tons of ore last year.

Steep Rock Starts Shortly

Steep Rock Iron Mines expects that the green light for expansion of its productive capacity will be given in the next few days. Final legal technicalities are being straightened out at Washington. Actual work will be started as soon as possible.

A total of $8 millions is being made available for the Steep Rock expansion program of which $5 millions is a loan from the U.S. Import-Export Bank with balance coming from sale of common and preference shares.

The big program, which involves placing the "A" ore body in production on an open pit basis, is expected to be concluded in 1952. It is possible an extra half million tons from "A" will be turned out in 1952, a million tons in 1953. Full over-all capacity of three million tons a year should be achieved shortly thereafter. Output of 1.2 million tons is expected this year with almost 600,000 tons turned out already.

This fall, Steep Rock will also begin its program of supplementing open pit mining with underground mining. A shaft is to be down to tap "B" ore body with initial depth probably 600-700 ft.

Algoma Moves Ahead

Algoma Ore Properties, with approximately $6 millions invested in iron ore mining and processing facilities for its Helen and Victoria mines in the Michipicoten area, is rapidly achieving expansion of its operations. A total of 556,000 tons of iron ore sinter (concentrate) was turned out in 1948. Output is expected to reach 700,000 tons in 1950, a million tons by the end of 1951. As it takes 1½ tons of iron ore to make a ton of sinter, iron ore mining will be proceeding at a rate of about 1.5 millions per annum at Algoma when expansion is completed.

Steep Rock and Algoma Properties, it appears, will have a combined output of 4.5 million tons of ore a year when their respective programs are finished. Algoma Ore Properties ore reserves, proved by drill in territory adjacent to the Helen and Victoria mines and in property on Goulais River iron range 50 miles north of Sault Ste. Marie, are in excess of 500 million tons, the company reports, so further expansion of output cannot be ruled out. Steep Rock, Algoma and the Wabana mines will have a combined output of about 6.2 million tons or more, it appears.

Development of the ilmenite (titanium) resources of the Allard Lake area by Quebec Iron & Titanium will provide Canada with a substantial addition to its output of iron. The Allard Lake reserves of 112 million tons not only contain 32% titanium oxide but also run 36% in iron. Initial production of high grade iron is to be at the rate of 175,000 tons annually but eventually production is to be on a much larger scale. Iron produced from these deposits will likely be the equivalent of an extra half million or a million tons of iron ore per annum.

Jones & Laughlin "Dark Horse"

Turning back to the Michipicoten area, where it has been estimated that a billion tons of iron ore will eventually be mined, interests other than Algoma have production plans in mind. Jones & Laughlin obviously have production in mind for the Ruth and Lucy siderite iron ore properties sponsored by Sherritt and Frobisher. They have committed themselves to pay a $60,000 minimum royalty per annum through exercise of their options on these holdings. Not far away, other interests have recently been taking a look at the Josephine iron mine of Michipicoten Iron Mines.

10 Million Tons Here

Canada's "ace-in-the-hole" for a really major increase in iron ore production beyond even anything noted above is the immense iron ore resources of the Quebec-Labrador iron range where 323 million tons of ore had been proven up by the end of 1948, where reserves may be up to the 400 million tons mark by the end of this season's work.

If financing is completed for this project in the near future, an annual output of 10 million tons of iron ore per annum can be expected for this project in a few years.

With addition of the rich Wabana mines of Newfoundland, Canada is a "have" rather than a "have not" in the iron mining business.

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New Nisto Samples Sent Out For Assay

The new crossfracture recently disclosed at Nisto Mines has been opened up by trenching and samples are now en route to Saskatoon, officials advise. Massive pitchblende is stated to show for a length of 40 ft. and a width of an inch at one location, also shows again approaching the main fault.

Three other crossfractures have also been trenched showing varying amounts of massive pitchblende. Trenching is now being concentrated on crossfracture "A." There are many known crossfractures which the management feels should be tested.

Hole No. 28 recently cut the radio-active zone at 150 ft. depth below No. 7 zone on same section as No. 16 hole.

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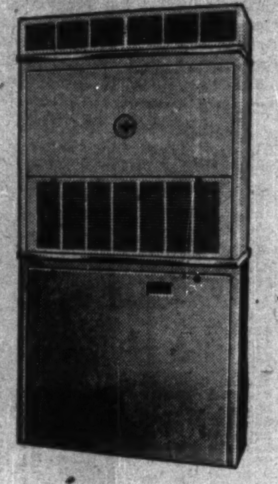

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Start Slag Unit At Cons. M. & S.

Operation of a new slag fluming furnace unit constructed at a cost of about $1 million was announced this week by Consolidated Mining & Smelting Co.

The new unit is the second of its type to be installed in the company's lead smelter, will handle lead blast furnace slag at the rate of about 500 tons daily. The charge will contain 17% zinc and 3% lead, these metals being recovered first in the form of dust, then as refined metals after subsequent treatment.

New Unit More Efficient

More modern in design than the original unit placed in operation, 20 years ago, the new unit includes more complete control by instrumentation, better coal feeding and watercooling, more efficient recovery of heat from gases.

The new furnace, with its auxiliary equipment, was necessitated by Cominco's plan to recover metal values from certain intermediate products.

$10 Millions Gold Subsidy's 1st Year Cost

First full year cost of Canada's Emergency Gold Mining Assistance Act and its subsidy to high cost gold mines is expected to be $10 millions, according to Ottawa quarters.

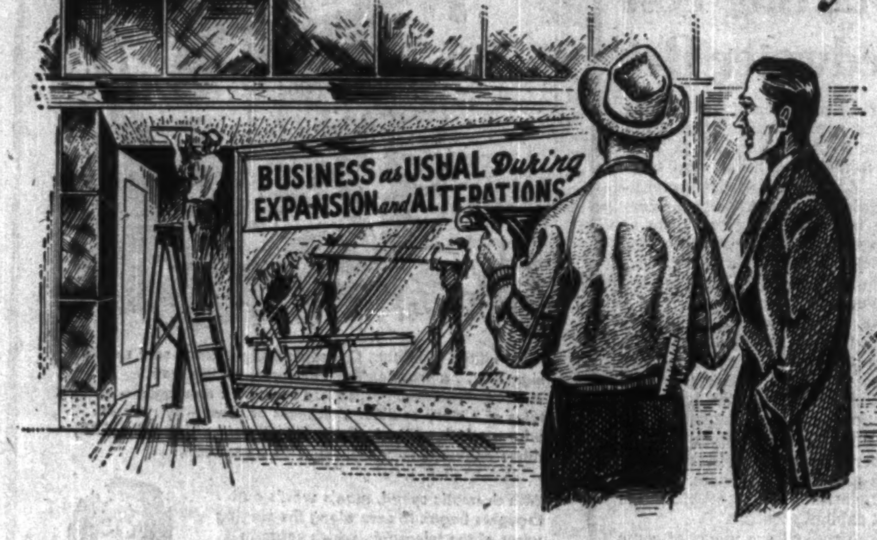
The subsidy, which became effective in June, 1948, is proving an effective factor in broadening the country's gold production which is expected to show an increase of about 15% in 1949.

Finance Minister Abbott will release full details to Parliament after it convenes Sept. 15. By law this report must be made within 15 days after.

His report is expected to show that the government paid out an average of $3.20 an ounce for each ounce of gold produced during the year. In other words the industry received almost as much from the EGMA as the extra $3.50 an ounce "premium" on gold sales before the Canadian dollar was restored to par in July, 1946.

SHELDON LARDER MINES pooled shares are all released effective Aug. 11.

The Price of Success — a few cents a day



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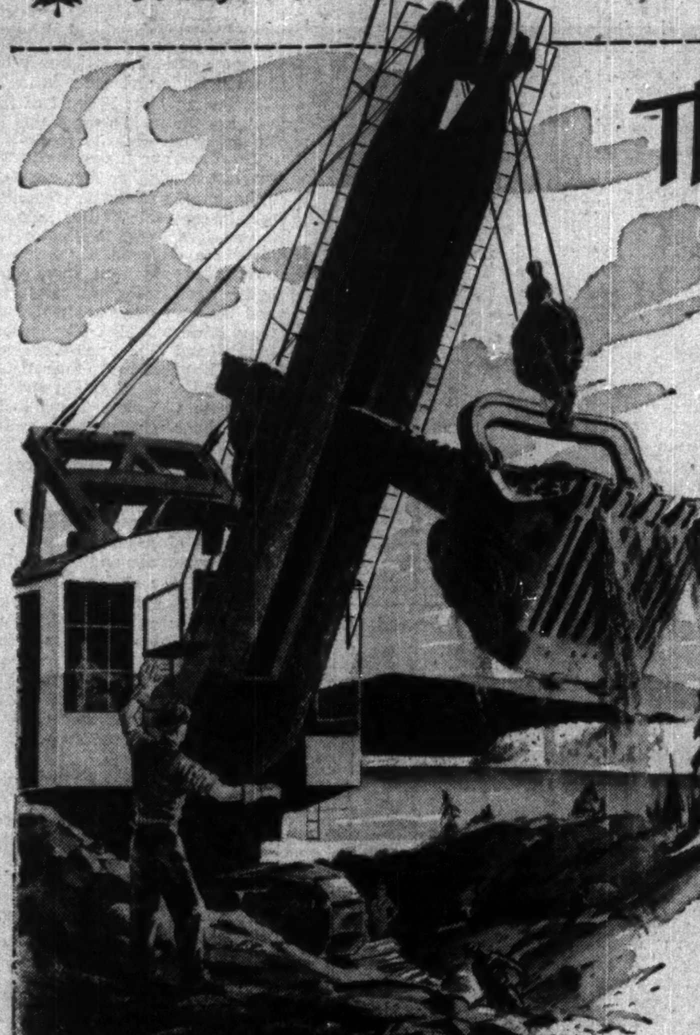
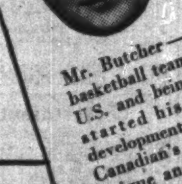


They Drained a Lake

to give Canada a Great New Industry

IT HAPPENED in Ontario's Rainy River District. Steep Rock Lake — fifteen miles long and ranging in depth from 40 to 265 feet — was emptied by batteries of giant pumps. Finlayson Lake was lowered by draining from the bottom. The course of the Seine River was completely changed. And one of the richest bodies of iron ore on the continent was uncovered. Providing millions of tons of ore a year — with enough uncovered for years to come — Steep Rock's development has been spectacular, but it is only ONE of many examples of Canada's tremendous modern advance. Today we truly live in a Greater Canada — one with productive capacity vastly increased and diversified, offering to young Canadians greater opportunities than ever before in every field of endeavour.

SO MANY OPPORTUNITIES



"A sound idea and the determination to carry it through — those are sure passports to success in Canada today where there are so many interesting opportunities in so many different kinds of activity" — says MR. LESLIE BUTCHER, of Windsor, Ont.

Mr. Butcher — member of Canada's 1936 Olympic basketball team — after returning from college in the U.S. and being manager of a local insurance office, started his own Butcher Enterprises. Their development provides many examples of this young Canadian's energy and enterprise. They include: a unique and successful service in the wrapping of products for shipping; and the modernization of the Windsor Arena to present outstanding sports and entertainment events with great success.

The iron and steel manufacturing industry presents another spectacular example of development: productive capacity and number of employees have been doubled since before the war, striking indication of Canada's new position as one of the world's great industrial nations.

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MINING INVESTMENTS

Must Spend $1.9 Billion To Finish U. S. Stockpile

A further $1.9 billions must still be spent by the United States on non-ferrous metals, nonmetallic minerals and other strategic materials to bring the U. S. national stockpile up to desired levels, a report of the U. S. Munitions Board for the first six months of 1949 reveals.

As an important supplier of nickel, copper, lead and zinc, and a long list of other stockpile minerals, Canada has a big stake in this continuing program. As possibilities of selling nonferrous metals on a tax-free basis to private industry in the United States are more limited now, demand from stockpiling authorities is more important than ever. No tax is paid on these purchases.

"Must Not Delay Program"

Estimated cost of the entire projected U. S. national stockpile was $3,217,000 at June 30, 1949,—a reduction from $3.7 billions six months earlier owing to lower cost of materials. As 40% of the planned stockpile was on hand at June 30, 1949, this left 60% or $1.9 billions of stockpiling still to take place.

It is expected that commitments to be made during the year ending June 30, 1950, will bring the stockpile to over 60%, on hand or under contract, of the total objective. Completion of the stockpile should not be delayed, the U. S. Munitions Board warned, as speeding up of stockpiling at the approach of a national emergency may not be possible even with unlimited funds.

* * *

Copper Tariff Polemic

Canadians have a very real stake in the battle proceeding in the U. S. as to whether the two cents a pound tariff on copper should be restored immediately.

After hearings, the Senate Finance Committee, on a preliminary poll, showed a majority of one in favor of restoring the tariff. There is considerable support for restoring the tariff even though the United States is going to have to import about 400 million lb. of copper this year alone.

But it is not expected the tariff will be restored without a battle. If Congress approves, a presidential veto is reported likely.

* * *

U. K. After Copper

Negotiations are proceeding with the United Kingdom on U. K. copper supplies for the first six months of 1950 despite dollar problems.

Preliminary reports from London state that it is not likely that as much copper will be taken as the 36,000 tons contracted for delivery in the last six months of 1949. Fortunately Canada has an "in" supplying copper to the U. K., despite the dollar problem, because this country can supply electrolytic copper in special shapes needed by the United Kingdom market.

Re-export possibilities for Canadian copper may help encourage the United Kingdom to buy fairly heavily, it is thought. A London despatch provides evidence that this may be the case:

"In the world market a good continental demand for sterling copper is understood to be circulating, with parcels when available probably fetching premiums over the British official price of £107 10s per ton. Recently some electrolytic copper was offered at £130 per ton cif continent, while No. 1 copper wire and heavy scrap copper were offered at £112 and £110 per ton cif respectively."

* * *

Price Structure Firm

Near-term prospects of Canadian base metal producers have been improved materially by continued firmness of base metal markets.

Demand for metals in the United States has shown a most marked increase since inventories of many consumers became practically exhausted.

Lead has been a particularly strong item. With the U. S. stockpiling authorities taking large quantities off the market in the third quarter, most sellers of lead have had "waiting lists" of people whose orders couldn't be filled immediately. Benefits of higher lead quotations had been offset here to some degree by the fact that a tariff of 1.06¾ cents a lb. now exists against Canadian lead as the U. S. tax holiday on lead expired June 30.

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Big New Ore Body For Con & Rycon?

Possibility of a "new large orebody in the vicinity of the Con-Rycon boundary line" in the Yellowknife camp was announced this week by officials of the Mines Division of Consolidated Mining & Smelting Co. which controls both the Con and Rycon operations.

The new occurrence was established by preliminary drilling at the Con on the 2,300-ft. level of the Campbell shear. Average ore grade from drill results so far is stated to be considerably lower than mine average (which is high grade) but the deposit may prove of such size as to be economic, the officials stated.

Hudson Bay Profit Is Slightly Lower

A profit of $6,854,688, equal to $2.49 a share, was realized by Hudson Bay Mining & Smelting Co. the six months ended June 30, 1949, against $7,591,950 or $2.75 a share in the corresponding period of 1948.

Tonnage of ore handled was 923,820 in the first half of 1949 compared with 930,683 tons in the first half of last year.

Osler & Co. Forecasts World Gold Price Boost

"While . . . , for some years past we have maintained that an increase in the price of gold was unlikely, owing to resistance to any change by those in control of managed currency policies in use both in Europe and North America, we have now changed our opinion," declares A. E. Osler & Co. following a survey of sources in London, Paris, Geneva, Zurich, New York and Washington.

A strong opinion against any change in the price of gold was found in Washington and New York, but Osler & Co. thinks the situation at home and abroad will drive the U.S. to consider devaluation of the dollar in terms of gold. The suggestion is advanced that a solution to present monetary troubles could be brought about by two successive steps: (a) devaluing sterling to reduce U.K. export prices and (b) upward revaluation of gold by the U.S. and sterling group.

CONSOLIDATED ASTORIA MINES has commenced a new program of diamond drilling on its property adjoining the BB group of Hollinger and Mining Corp. in the Indian Mountain area. Purpose is to test a number of anomalies indicated by a geophysical survey.

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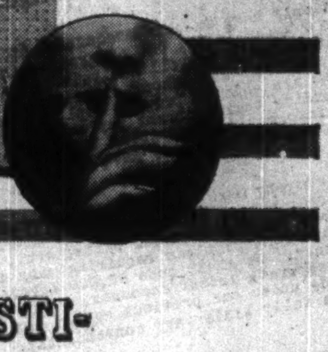
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Branches at: Halifax, Saint John, Toronto, Winnipeg, Calgary, Vancouver

GSW
GENERAL STEEL WARES
LIMITED
MONTREAL TORONTO LONDON WINNIPEG CALGARY VANCOUVER

GENERAL STEEL WARES LIMITED
MAKERS OF QUALITY
HEATING • COOKING • HOUSEHOLD AND FOOD SERVICE EQUIPMENT

The wide diversification of utility products that we manufacture is an important factor in the stability of the Company's operations.

Coupled with this is the continuing development and introduction of new products, backed by intensive advertising to the consumer.

General Steel Wares makes and distributes throughout Canada and into the export field a wide variety of products including McClary Electric, Gas, Coal and Wood Stoves and Refrigerators, McClary Heating and Air-conditioning Equipment, GSW Food Service Equipment, GSW Plumbing Lines, enameled, japanned, galvanized and other household and farm utensils.

These combine to provide steady employment in all our departments, and provide GSW Dealers with balanced stocks that are assured of a year round demand.

MINING CONCENTRATES

AMERICAN YELLOWKNIFE GOLD MINES two blocks of claim groups in Charlot River section 25 miles north of Goldfields, Sask., have four occurrences in the first and two finds on the second block. Pits blasted on one showing in first block returned following values over 40 ft. length: 0.33% uranium oxide ($18.15); 2.04% ($112.20); 1.40% ($77). Pit on another showing gave .57% ($31.35). Blasting and trenching is being carried out on claim groups 40 miles north of Sault Ste. Marie and company is also prospecting two claim groups and an 18-mile concession near Goldfields.

* * *

CENTRAL EXPLORERS LTD. is making exchange offer to Ontario and Quebec shareholders of Quebec Manganese Mines in order to acquire Quebec Manganese shares on basis of 3 npv Central Explorers shares for each 100 $1 par Quebec Manganese shares. Authorized capital, 2 million npv shares; issued 610,000; escrowed, none; filed July 5.

* * *

CAPEWELL PETROLEUM CORP. advises that Jack H. Allison has resigned as a director and has been replaced by Dr. T. B. Armstrong. Company has acquired a 17½% participation in another property on which report filed July 5.

* * *

DUREX MINES has filed particulars of sale of shares through registered brokers and company officials, 75% of proceeds to go to company treasury. Authorized capital 3 million $1 par shares; issued 1,339,705; escrowed 1,170,000; filed July 4.

* * *

DONALDA MINES has received payment for July 15 installment of 50,000 shares at 40c. a share under agreement with Stuyvesant-North Ltd. Issued capital is 3,050,000 shares, leaving 950,000 in treasury.

* * *

EL PEN-REY MINES has received payments for July 20 installment of 100,000 shares at 15c. under agreement with Stuyvesant-North Ltd., leaving 2,511,665 shares in treasury, 1,488,335 issued.

* * *

ORBIT URANIUM DEVELOPMENTS advises agreement has been signed with Clifford R. Jenner & Co. covering purchase of 300,000 shares at 5c. and option on further 1 million shares at 10c.-50c. Authorized capital 3,500,000 $1 par shares; issued 1,165,005; escrowed 1,048,500; filed July 13.

CORNERSTONES OF CANADIAN INDUSTRY...

FIRST ASBESTOS ROOFING . . . *before the turn of the century, H. W. Johns, working with a hand-powered clothes wringer, concocted the first asbestos roofing from fibre mined in a small Quebec village. Crude as it was, the new roofing resisted fire, sun, rain and freezing temperature. At last there was a practical use for the "magic mineral" which lay buried beneath hundreds of acres of Canadian soil.*

Since Johns' humble start, Canada has become the world's foremost producer and exporter of asbestos. Research has multiplied the uses of asbestos until today it appears in many hundreds of products ranging from brake linings to clothing for fire fighters. ◇ At Dow, too, research plays an essential role. Primarily aimed at providing a better, fuller way of living, the new products which come from Dow laboratories bring expanded trade to the Dominion and so contribute to the general welfare.

• • •

DOW CHEMICAL OF CANADA, LIMITED
204 RICHMOND STREET WEST • TORONTO 1, CANADA

DOW
CANADA

LONDON CALLING—By Adelphi

Is Domestic Price Cut on U. K. Textiles Thin Edge of Wedge Against Retailers?

LONDON — Troubles continue to pile up in the economic sphere of the United Kingdom. The man in the street has an uncomfortable feeling that nobody seems to be doing much about this crisis.

The unfortunate absence of Sir Stafford Cripps emphasizes this apparent lack of leadership.

Recently Sir Stafford, whose integrity is often stronger than his judgment, applied to the Treasury, of which he is the head, for money to go to Switzerland for a stomach cure. After due consideration the Treasury granted him the funds for his wife and himself.

In a normal world no one would object to this for a moment. Any man who has worked as hard for his country as Cripps should have anything he wants. On the other hand the Socialists have set up a National Health Service which, they boast, puts this country above all others. Therefore, the logical British are asking what there is about Cripps' stomach that cannot be cured by British socialized treatment.

* * *

Britons Want Fast Action To End Drifting Feeling

Of course steps are being taken to meet the economic crisis. They are, however, only being taken by the back-room boys in preparation for next month's meeting in Washington. Most people here would like to see something more spectacular and decisive. There is an unhappy atmosphere of drift, which some such action could quickly dispel.

The only affirmative action taken so far has been by Mr. Harold Wilson, the President of the Board of Trade, making a 5% cut in many of the "utility" articles in shops. These are goods, mostly textiles, of which the manufacture is government sponsored and price controlled.

The object of the cut, says Mr. Wilson, is to help in reducing the cost of living with a view to keeping wages down and so keeping down the cost of production of export goods.

Political opponents of the Government don't see it that way. They see in this cut another attack on the distributive trades. It will, they say, drive many shopkeepers out of business or at least compel them to stand off salesmen and saleswomen. They believe that the Government intends this very thing with a view to forcing men and women out of distribution into production, as part of the Socialist principle of nationalizing the means of production, distribution and exchange.

This is a very live political issue because the Socialists still retain the wartime power for "direction of labor." That is the power to order an applicant for work into a particular industry on pain of losing his unemployment rights. The Conservatives have inveighed against this, holding that it is an infringement of personal liberty. So far, there is no power to order a person out of one employment into another but there is serious apprehension that this could in fact be achieved by indirect methods, such as economic pressure. This affair of forcing retailers out of business is thought by some to be the thin end of the wedge.

* * *

Are U. K. Cars Failing To Meet Competition?

Nobody has yet devised any method of ensuring an increase in exports. It is recognized that the objective is to produce high quality goods at competitive world prices but industry complains that there will be difficulty in reducing prices so long as it has to carry so many burdens. As to quality difficulties are becoming more acute in a buyers' market. So long as it was a sellers' market we could sell almost anything, but now customers are more discriminating and more exacting.

There is certainly some mystery here about motor cars being returned from trans-Atlantic buyers. As this is a key export, it is causing much concern and it is a pity that the full facts have not been given the public. All they know is that more than one shipload of exported motor cars has come back. What is not known is whether they came back because they were unsaleable or because they required modifications. Even the latter is a straw showing which way the wind is blowing. Similar motor cars have sold easily enough in the past. Now the customer is demanding something better. The lesson is the importance of studying market requirements and keeping ahead of them.

* * *

Another key export in the news is whisky. The output is to be stepped up to the prewar figure of 30 million gallons by the allocation of some 300,000 tons of barley. This, however, is a long-term project and arouses no enthusiasm here for the reasons that the home supply is not to be increased and in any event seven to ten years must elapse before it is matured. You cannot expect anyone to get wildly excited over the possibility that a higher proportion of our whisky production will be sent away in 1956.

* * *

In spite of all these worries nothing appears to prevent full enjoyment of the August bank holiday. The world-famous sailing regatta at Cowes took place with all the traditional gaiety. Storms interrupted racing on one day to remind us that we are not living in an entirely placid world, but otherwise it was perfect yachting weather.

Two things struck me as signs of the times. Firstly, the day of a big yacht with an expensive crew is over. Now it is all small boats, owner-manned.

Secondly, there was the matter of the two warships lying out in Cowes Roads, one Royal Navy destroyer, the other the U.S.S. O'Hare of the U. S. N.

At a landing jetty I saw two notices side by side informing the public that they could visit the ships and that launches were running at intervals between the jetty and the ships. The British ship found it necessary to charge each passenger a shilling to be carried in the launch. The U. S. ship carried them free. It seemed to me a significant commentary on our respective financial positions.

J. T. ASQUITH

has been appointed vice-president and general manager of Canadian Car & Foundry Co., Montreal.

E. J. SPENCE

who has been elected a Vice-President of Canadian Food Products Limited. *

Toronto Building Bust May Speed Licensing

No revolutionary new financial protection is thought near for buyers of new houses.

None, at any rate, is seen assured by the current official inquiry into recent default of Kershaw Construction Co. in Toronto area's biggest postwar building "bust" — threatened total loss of $1,500 to $3,000 individual down payments by many of the 48 families with savings in a NHA-Canada Life financed housing development in Pelmo Park area near Weston.

So say long-established and large-scale builders interviewed by The Financial Post.

Objection is found, they say, by many groups and on many grounds to almost any proposal for financial protection which the Pelmo hearings might be expected to bring forth.

Seen unlikely or unfeasible are such ideas as (a) an additional National Housing Act guarantee of builder's performance; (b) any general adoption of trustee holding ("in escrow") of buyer's payments until builder's performance is established or the work near completion; or (c) contract bond insurance by the builder in favor of the buyer with premiums at the builder's expense, as is common in general building construction.

Builders Seek Licensing

A "prevention" proposal, however, is thought likely to be considered. That is for a new system of licensing and provincial supervision of builders and their operations.

Toronto Metropolitan Home Builders' Association and National House Builders' Association are using the "Pelmo breakdown" to revive proposals for adoption here of something like Michigan's licensing system for builders—a licensing act of the legislature, a commission to administer it, registration of all residential contractors, technical examinations, evidence of competence and fair dealing, penalties, including suspension.

Toronto Association President Campbell Holmes not long ago went to Detroit and Lansing to look at the record; reported that 75% of complaints received by the Michigan Commission are satisfactorily adjusted without recourse to the courts.

The licensing proposal is conceded at least a fair chance of mention in the findings of Ontario's Pelmo probe.

Hearing Sept. 7

Their hard-earned savings and burdensome loans now represented by holes in the ground or jagged unfinished walls — and which even at that they can't call their own — representative members of the group of 48 disappointed Pelmo buyers will have their say, Sept. 7, when hearings open in Toronto city hall chambers of Judge Ian Macdonell under the Real Estate Brokers' Act. Harold Timmins will act as counsel for the Attorney-General's Dept., which is still busily digging facts.

Meanwhile, 24 of the 48 prospective owners have put up an extra $1,000 each, in an arrangement through Canada Life for completion of that many homes by another building firm. In this deal, lien-holders have agreed to accept $30,000 as full payment for material and wage liens totaling $50,000, or 60c on the dollar. Work on the 24 houses already has been resumed.

SUDBURY CONTACT MINES carried out no exploration work in 1948 on its claims in Fairbank twp., Ont. and Bousquet twp., Que., but acquired 16 claims in the Basile Area of Great Slave Lake and has 50% interest in 30 others in the same area. It also staked two 12-claim groups, one in the McCrea Lake area and the other in the Indian Mountain Lake area. Exploration work has been limited due to lower base metal prices, it is stated. Canadian Silica Corp., in which company holds substantial interest, showed operating profit of $49,839 in the year ended Nov. 30, 1948. Sudbury Contact current assets as Dec. 31, 1948, were $15,296; current liabilities, $1,382.

COMPANY REPORTS

J. A. VACHON & FILS, LTEE., St. Marie, Beauce Co., P. Q., total assets amounted to $376,050 at March 31, 1949 ($325,657 the year before). Working capital was reduced to $25,294 ($48,992).

CONDENSED BALANCE SHEET

As at Mar. 31:	1949	1948
Cash	$38,861	$38,043
Accts., etc., rec.	35,971	48,621
Inventories	63,115	41,519
Total curr. assets	138,067	128,183
Misc. assets	15,133	16,567
Fixed assets*	222,850	180,907
Total assets	376,050	325,657
Bank loan	24,000	......
Accts., etc., pay.	74,187	61,002
Taxes pay.	14,586	18,189
Total curr. liabs.	112,773	79,191
Deferred liab.	......	146
Funded debt	124,500	130,000
Capital stock	84,300	84,300
Earned surplus	54,477	32,020
*After depr. of	56,524	42,372
Working capital	25,294	48,992

ALMINSTER OILS plans to start drilling soon on Success No. 2. Success No. 1 well was brought into production in the Dulwich section of the Lloydminster field. Five other wells, all offsets of producers, are also planned.

on the highway and in the home

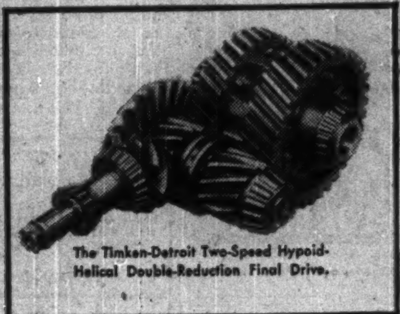
TIMKEN *Detroit* AXLE COMPANY

now serves Canada with Canadian-built products

The finest two-speed truck axles are those which bear the Timken-Detroit name. The gear sets in these axles, embodying such engineering achievements as Hypoid Gearing, *first developed and produced by Timken-Detroit* for medium- and heavy-duty truck axles, are now being produced in Canada.

Because of the number of exclusive features – and the host of important advantages they provide – more and more Canadian truck buyers are asking for Timken-Detroit Two-Speed Axles under their new trucks. They know that to meet today's faster schedules and yet hold maintenance costs to a minimum, they need the *best* in equipment – and *that's* Timken-Detroit!

Timken-Detroit Axles—A Product Of The Timken-Detroit Axle Company of Canada, Ltd., Windsor, Ontario



The Timken-Detroit Two-Speed Hypoid-Helical Double-Reduction Final Drive.

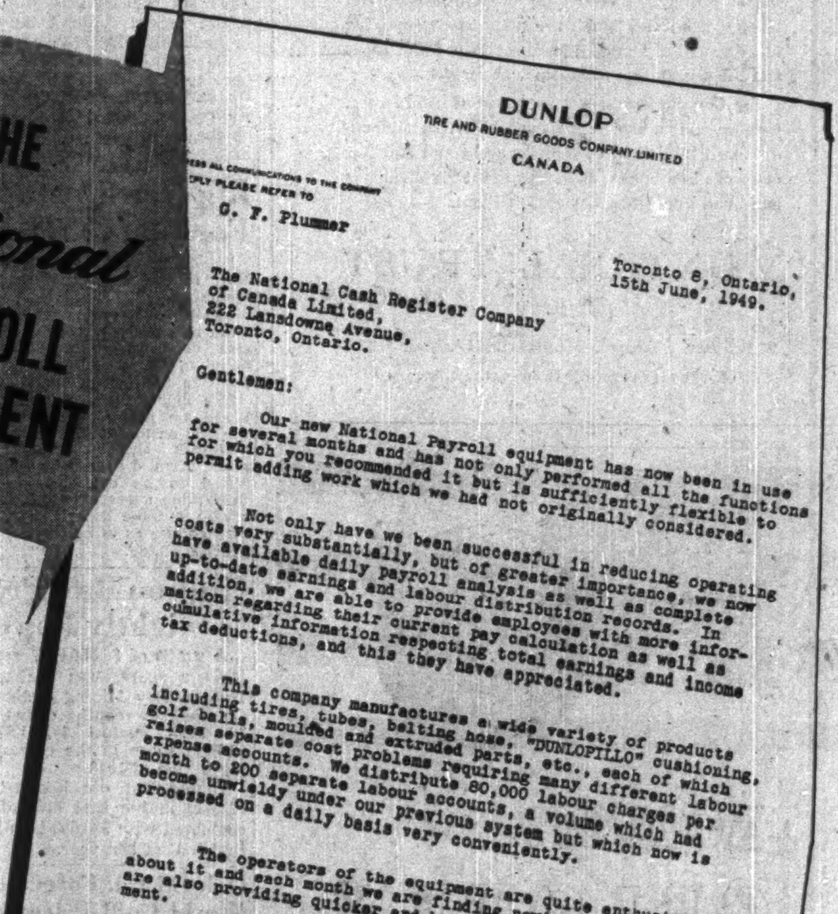
The finest of automatic home heating equipment— designed and built by the Timken Silent Automatic Division of Timken-Detroit – has for 20 years made living easier, healthier and happier in hundreds of thousands of homes across the continent. Today, value-wise Canadian home owners are converting to Canadian-built Timken Silent Automatic oil heating equipment for the ultimate in efficient, dependable operation.

Timken Silent Automatic Oil Heat A Product Of The Timken Silent Automatic Division of Canada, Ltd.—Windsor, Ontario

IT IS NOW EASY TO HANDLE 80,000 LABOR CHARGES A MONTH WITH THE *National* PAYROLL EQUIPMENT

With the National System, Dunlop now has available daily payroll analysis as well as complete up-to-date earnings and labor distribution records. In addition, employees are now supplied with more information regarding current pay calculation, total earnings and income tax deductions.

You, too, will find the National System quickly pays for itself in reduced costs, accurate records in less time and a general upswing in operating efficiency!



DUNLOP
TIRE AND RUBBER GOODS COMPANY LIMITED
CANADA

G. F. Plummer

Toronto 8, Ontario,
15th June, 1949.

The National Cash Register Company
of Canada Limited,
222 Lansdowne Avenue,
Toronto, Ontario.

Gentlemen:

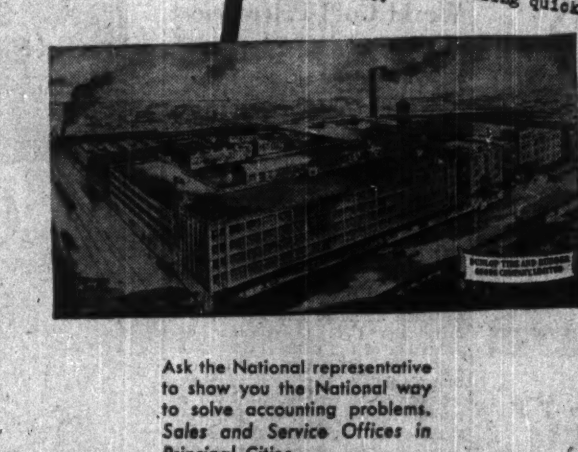
Our new National Payroll equipment has now been in use for several months and has not only performed all the functions for which you recommended it but is sufficiently flexible to permit adding work which we had not originally considered.

Not only have we been successful in reducing operating costs very substantially, but of greater importance, we now have available daily payroll analysis as well as complete up-to-date earnings and labour distribution records. In addition, we are able to provide employees with more information regarding their current pay calculation as well as cumulative information respecting total earnings and income tax deductions, and this they have appreciated.

This company manufactures a wide variety of products including tires, tubes, belting hose, "DUNLOPILLO" cushioning, golf balls, moulded and extruded parts, etc., each of which raises separate cost problems requiring many different labour expense accounts. We distribute 80,000 labour charges per month to 200 separate labour accounts, a volume which had become unwieldy under our previous system but which now is processed on a daily basis very conveniently.

The operators of the equipment are quite enthusiastic about it and each month we are finding new applications which are also providing quicker and better information for management.

Yours sincerely,
DUNLOP TIRE AND RUBBER GOODS COMPANY, LIMITED
G. F. Plummer
Secretary-Treasurer.



Dunlop distributes 80,000 labor charges per month to 200 separate labor accounts — a previously unwieldy volume — now conveniently processed on a daily basis with the National System.

Ask the National representative to show you the National way to solve accounting problems. *Sales and Service Offices in Principal Cities.*

THE NATIONAL CASH REGISTER COMPANY OF CANADA LIMITED

When you are visiting the Canadian National Exhibition, be sure and see the latest developments in Cash Registers, Accounting Machines and Adding Machines at the National Cash Register Booth in the Business Equipment Building.

National
CASH REGISTERS · ADDING MACHINES
ACCOUNTING MACHINES